



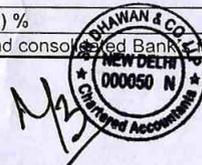
PUNJAB NATIONAL BANK
HEAD OFFICE -NEW DELHI

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2021

(Rs. in lacs)

S.No.	Particulars	STANDALONE					CONSOLIDATED				
		Quarter Ended		31.03.2020*	Year Ended		Quarter Ended		Year Ended		
		31.03.2021	31.12.2020		31.03.2021	31.12.2020	31.03.2021	31.12.2020	31.03.2020*	31.03.2021	31.03.2020*
Audited	Reviewed	Audited	Audited	Audited	Audited	Reviewed	Audited	Audited	Audited		
1	Interest Earned (a+b+c+d)	1878953	2032467	1385898	8074977	5380003	1904627	2059875	1420599	8186640	5491847
	a) Interest/discount on advances/bills	1186867	1355252	921995	5335120	3581496	1195364	1364257	933300	5368283	3615625
	b) Income on Investments	598671	617562	393506	2456582	1533260	615798	635929	414208	2534701	1609374
	c) Interest on Balances with RBI and other Inter Bank Funds	47433	41852	67187	189862	251022	47484	41886	69944	190242	253073
	d) Others	45982	17801	3210	93413	14225	45981	17803	3147	93414	13775
2	Other Income	374220	297386	252934	1281185	927413	373329	304066	261821	1312445	938766
A	TOTAL INCOME (1+2)	2253173	2329853	1638832	9356162	6307416	2277956	2363941	1682420	9499085	6430613
3	Interest Expended	1185198	1201169	918144	5027279	3636224	1197480	1213533	936041	5080458	3699747
4	Operating Expenses (a+b)	504544	489603	327460	2030875	1197337	509727	494721	332994	2051577	1215050
	(a) Employees Cost	269979	292753	185376	1217574	696168	273049	295836	188669	1229672	706002
	(b) Other operating expenses (All items exceeding 10% of the total expenditure excluding interest expenditure may be shown separately)	234565	196850	142084	813301	501169	236678	198885	144325	821905	509048
B	TOTAL EXPENDITURE (3+4) (excluding provisions & contingencies)	1689742	1690772	1245604	7058154	4833561	1707207	1708254	1269035	7132035	4914797
C	Operating Profit (A-B) (Profit before Provisions & Contingencies)	563431	639081	393228	2298008	1473855	570749	655687	413385	2367050	1515816
D	Provisions (other than tax) and contingencies of which provisions for Non Performing Assets	468604	543260	490131	1950068	1399956	476809	548042	497696	1988604	1433114
E	Exceptional items	0	0	0	0	0	0	0	0	0	0
F	Profit / (Loss) from ordinary activities before tax (C-D-E)	94827	95821	-96903	347940	73899	93940	107645	-84311	378446	82702
G	Provision for Taxes (Tax Expenses)	36194	45218	-27183	145778	40279	39262	49068	-24612	163203	46368
H	Net Profit (+)/Loss (-) from ordinary activities after tax (F-G)	58633	50603	-69720	202162	33620	54678	58577	-59699	215243	36334
I	Extraordinary items (net of tax expense)	0	0	0	0	0	0	0	0	0	0
J	Net Profit (+)/Loss(-) for the period (H-I)	58633	50603	-69720	202162	33620	54678	58577	-59699	215243	36334
K	Share in Profit of associates						16815	19486	-19762	54217	12159
L	Share of Minority						1413	3334	2588	13262	4648
	Net Profit / (Loss) after minority interest (J+K-L)	58633	50603	-69720	202162	33620	70080	74729	-82049	256198	43845
5	Paid up equity Share Capital (Face value Rs. 2/-each)	209554	209554	134751	209554	134751	209554	209554	134751	209554	134751
6	Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)				8164136	5625128				8323838	5777017
7	Analytical Ratios										
	(i) Share holding of Govt. of India (%)	76.87	76.87	83.19	76.87	83.19	76.87	76.87	83.19	76.87	83.19
	(ii) Capital Adequacy Ratio - Basel-III (%)	14.32	13.88	14.14	14.32	14.14	14.64	14.17	14.50	14.64	14.50
	a) CET 1 Ratio (%)	10.61	10.12	10.69	10.61	10.69	10.89	10.38	10.98	10.89	10.98
	b) Additional Tier 1 Ratio (%)	0.88	0.78	1.21	0.88	1.21	0.91	0.81	1.25	0.91	1.25
	(iii) Earnings per Share (EPS) not annualized (in Rs)										
	(a) Basic and diluted EPS before extraordinary items	0.56	0.53	-1.03	2.08	0.62	0.67	0.78	-1.22	2.64	0.80
	(b) Basic and diluted EPS after extraordinary items	0.56	0.53	-1.03	2.08	0.62	0.67	0.78	-1.22	2.64	0.80
	(iv) NPA Ratios:										
	(a) Amount of Gross NPAs	10442342	9447933	7347876	10442342	7347876					
	(b) Amount of Net NPAs	3857570	2659813	2721889	3857570	2721889					
	(c) % of Gross NPAs	14.12	12.99	14.21	14.12	14.21					
	(d) % of Net NPAs	5.73	4.03	5.78	5.73	5.78					
	(v) Return on Assets (Annualised) %	0.18	0.15	0.31	0.18	0.15					

*Figures are related to standalone and consolidated Bank financials for pre-amalgamation period, hence not comparable with post amalgamation financials.



PUNJAB NATIONAL BANK
SEGMENT REPORTING FOR THE QUARTER/ YEAR ENDED 31st MARCH, 2021

PART A – BUSINESS SEGMENTS

Rs. In lacs

Sr. No.	Particulars	Standalone					Consolidated				
		Quarter Ended			Year Ended		Quarter Ended			Year Ended	
		31.03.2021 Audited	31.12.2020 Reviewed	31.03.2020 Audited*	31.03.2021 Audited	31.03.2020 Audited*	31.03.2021 Audited	31.12.2020 Reviewed	31.03.2020 Audited*	31.03.2021 Audited	31.03.2020 Audited*
1	Segment Revenue										
	(a) Treasury Operations	76497	804979	510831	3152787	1957845	779073	829688	542874	3258298	2043579
	(b) Corporate/Wholesale Banking	702888	815493	616861	3172052	2352526	709534	821209	625692	3196643	2380409
	(c) Retail Banking	690570	529946	479201	2630090	1874632	693323	532316	482347	2639959	1883366
	(d) Other Banking Operations	94768	179435	31939	401233	122413	96026	180728	31507	404185	123259
	Total Revenue	2253173	2329853	1638832	9356162	6307416	2277956	2363941	1682420	9499085	6430613
2	Segment Results										
	(a) Treasury Operations	226005	253498	182647	960506	612323	230504	262047	208883	1019068	641022
	(b) Corporate/Wholesale Banking	-174877	-146199	-274166	-702360	-602722	-178557	-142484	-278075	-720152	-615578
	(c) Retail Banking	128152	61219	30528	412728	278088	125986	60685	31034	404564	283716
	(d) Other Banking Operations	25424	60187	8359	110680	32200	25887	60280	6240	108580	27655
	Total	204704	228705	-52632	781554	319889	203820	240528	-31918	812060	336815
	Unallocated Expenditure	109877	132884	44271	433614	245990	109880	132883	52393	433614	254113
	Profit before Tax	94827	95821	-96903	347940	73899	93940	107645	-84311	378446	82702
	Provision for Tax	36194	45218	-27183	145778	40279	39262	49068	-24612	163203	46368
	Extraordinary items	-	-	-	-	-	-	-	-	-	-
	Share of Earning in Associates(Net)	-	-	-	-	-	16814	19486	-19762	54216	12159
	Minority Interest	-	-	-	-	-	1413	3334	2588	13262	4648
	Net profit	58633	50603	-69720	202162	33620	70079	74729	-82049	256197	43845
3	Segment Assets										
	(a) Treasury Operations	42893622	40214383	26515086	42893622	26515086	44231131	41682778	27999512	44231131	27999512
	(b) Corporate/Wholesale Banking	51301215	51937129	36383417	51301215	36383417	51652516	52344218	36791980	51652516	36791980
	(c) Retail Banking	24591343	25718463	15708035	24591343	15708035	24759408	25873726	15812252	24759408	15812252
	(d) Other Banking Operations	2670905	3079610	1534004	2670905	1534004	2744967	3179357	1615932	2744967	1615932
	(e) Unallocated	4606177	4543816	2926049	4606177	2926049	4584484	4543515	2926049	4584484	2926049
	Total	126063262	125493401	83066591	126063262	83066591	127972506	127623594	85145725	127972506	85145725
4	Segment Liabilities										
	(a) Treasury Operations	41308654	38691618	25419887	41308654	25419887	42246979	39820181	26634887	42246979	26634887
	(b) Corporate/Wholesale Banking	49405577	49970468	34880610	49405577	34880610	49734555	50312955	35143750	49734555	35143750
	(c) Retail Banking	23682665	24744603	15059219	23682665	15059219	24104852	25192275	15469040	24104852	15469040
	(d) Other Banking Operations	2572212	2962998	1470643	2572212	1470643	2580653	2974453	1471367	2580653	1471367
	(e) Unallocated	423	508	484	423	484	52034	47284	39045	52034	39045
	Total	116969531	116370195	76830843	116969531	76830843	118719073	118347148	78758089	118719073	78758089
5	Capital Employed										
	(a) Treasury Operations	1584968	1522765	1095199	1584968	1095199	1984152	1862597	1364625	1984152	1364625
	(b) Corporate/Wholesale Banking	1895638	1966661	1502807	1895638	1502807	1917961	2031263	1648230	1917961	1648230
	(c) Retail Banking	908678	973860	648816	908678	648816	654556	681451	343212	654556	343212
	(d) Other Banking Operations	98693	116612	63361	98693	63361	164314	204904	144565	164314	144565
	(e) Unallocated	4605754	4543308	2925565	4605754	2925565	4532450	4496231	2887004	4532450	2887004
	Total Capital Employed	9093731	9123206	6235748	9093731	6235748	9253433	9276446	6387636	9253433	6387636

PART B - GEOGRAPHICAL SEGMENTS

Sr. No.	Particulars	Standalone					Consolidated				
		Quarter Ended			Year Ended		Quarter Ended			Year Ended	
		31.03.2021 Audited	31.12.2020 Reviewed	31.03.2020 Audited*	31.03.2021 Audited	31.03.2020 Audited*	31.03.2021 Audited	31.12.2020 Reviewed	31.03.2020 Audited*	31.03.2021 Audited	31.03.2020 Audited*
1	Revenue										
	(a) Domestic	2237177	2309426	1606856	9276774	6176425	2252474	2334032	1634921	9379781	6254651
	(b) International	15996	20427	31976	79388	130991	25482	29909	47499	119304	175962
	Total	2253173	2329853	1638832	9356162	6307416	2277956	2363941	1682420	9499085	6430613
2	Assets										
	(a) Domestic	121482981	120329346	79329523	121482981	79329523	122501602	121516737	80555154	122501602	80555154
	(b) International	4580281	5164055	3737068	4580281	3737068	5470904	6106857	4590571	5470904	4590571
	Total	126063262	125493401	83066591	126063262	83066591	127972506	127623594	85145725	127972506	85145725

Notes :

1. Segment Liabilities are distributed in the ratio of their respective Segment Assets.
 2. Figures of the previous period have been re-grouped/re-classified wherever necessary.
- *Figures are related to standalone and consolidated Banks financials for pre-amalgamation period, hence not comparable with post amalgamation financials.





PUNJAB NATIONAL BANK

SUMMARISED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

Particulars	Standalone			Consolidated		
	31.03.2021 (Audited)	31.12.2020 (Reviewed)	31.03.2020* (Audited)	31.03.2021 (Audited)	31.12.2020 (Reviewed)	31.03.2020* (Audited)
CAPITAL & LIABILITIES						
Capital	209554	209554	134751	209554	209554	134751
Reserves & Surplus	8884177	8913652	6100997	9043879	9066892	6252885
Minority Interest				48679	44465	36069
Deposits	110633247	108215569	70384632	111371686	108963256	71025437
Borrowings	4284031	5259565	5022543	5229814	6387741	6251241
Other Liabilities and Provisions	2052253	2895061	1423668	2068894	2951686	1445342
TOTAL	126063262	125493401	83066591	127972506	127623594	85145725
ASSETS						
Cash & Balances with Reserve Bank of India	4395883	7179614	3839785	4426727	7249905	3860379
Balances with Banks & Money at Call & Short Notice	6739088	4460747	3759518	6906716	4629546	3915196
Investments	39298325	39433829	24046564	40436896	40684922	25378247
Advances	67423008	66048602	47182772	67934577	66599613	47685334
Fixed Assets	1102090	1079909	723907	1104871	1082571	726198
Other Assets	7104868	7290700	3514045	7162719	7377037	3580371
TOTAL	126063262	125493401	83066591	127972506	127623594	85145725

*Figures are related to standalone and consolidated Bank's financials for pre-amalgamation period, hence not comparable with post amalgamation financials

Notes forming part of Standalone and Consolidated Financial results for the quarter/year ended March 31, 2021: -

- The above financial results have been reviewed by the Audit Committee of Board and approved by the Board of Directors in their respective meetings held on June 04, 2021. The same have been subjected to audit by the Statutory Central Auditors of the Bank, in line with the guidelines issued by the Reserve Bank of India and as per the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended.
- 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, depreciation on Fixed Assets and investment depreciation on the basis of extant guidelines issued by Reserve Bank of India. Provisions for employee benefits pertaining to pension, gratuity, leave encashment, LFC, Sick leave and silver jubilee have been made on the basis of actuarial valuation. All other usual and necessary provisions have been made on estimated basis
- The financial results for the year ended March 31, 2021 have been prepared following the same Accounting Policies and practices as those followed in the annual financial statements for the year ended March 31, 2020, except appropriation of recoveries in NPA accounts.

After March 31, 2020, the Bank has changed its accounting policy for appropriation of recovery in NPA accounts from earlier policy of appropriating recovery first against charges recorded then principal advance towards recorded and balance towards derecognized income, to the new policy of appropriation of recovery first against the charges recorded followed by principal advance towards derecognized income.



interest/derecognized interest and balance against the principal. This change in accounting policy has resulted in increase in profit before tax by Rs.162.03 Crore for quarter ended March 31, 2021 and by Rs. 611.97 Crore for year ended March 31, 2021.

- The Government of India (GOI), Ministry of Finance, Department of Financial Services issued Gazette Notification no. CG-DL-E- 04032020-216535 dated March 04, 2020, approving the scheme of Amalgamation of erstwhile Oriental Bank of Commerce and erstwhile 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 came into effect from April 01, 2020. The results for quarter/year ended March 31, 2021 are for the amalgamated entity. Hence, the quarterly/yearly results of current financial year are not comparable with corresponding quarter/year of previous financial year.

The amalgamation is accounted under the "pooling of interest" method as prescribed in AS-14 issued by the Institute of Chartered Accountants of India on "Accounting for Amalgamations", to record amalgamation of erstwhile Oriental Bank of Commerce and erstwhile United Bank of India with the Bank w.e.f. April 01, 2020.

Accordingly, the difference of Rs.9,268.29 Crore (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.

- The Consolidated financial results are prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements", Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" and Accounting Standard 27 on "Financial Reporting of Interests in Joint Ventures" issued by Institute of Chartered Accountants of India.
- The consolidated financial results of the Group comprise financial statements of 4 subsidiaries and 15 Associates. The consolidated financial 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. The Bank has incorporated a new subsidiary namely PNB Cards & Services Limited on 16.03.2021, in which capital has been introduced after the year end. Accordingly, the same has not been considered for consolidation.
- In terms of RBI Letter no. DBR.No.BP.15199/21.04.048/2016-17 dated June 23, 2017 (RBI List-1) and Letter no. DBR.BP.1908/21.04.048/2017-18 dated August 28, 2017 (RBI List-2) for the accounts admitted under the provisions of Insolvency & Bankruptcy Code (IBC), the Bank is holding total provision of Rs.8,374.53 Crore (Aggregate provision of RBI List 1 and List 2 accounts) as on March 31, 2021 (100% of Gross NPA advances). (Previous Year Rs.9474.27 Crore; 98.51% of Gross outstanding)
- As per RBI Circular No.DBR.BPBC No.32/21.04.018/2018-19 dated April 1, 2019, in case the additional provisioning for NPA assessed by RBI exceeds 10% of the reported profit before provisions and contingencies for the reference period and /or additional gross NPAs identified by RBI exceeds 15% of the published incremental Gross NPAs for the reference period, then the banks are required to disclose divergence from prudential norms on income recognition, assets classification and provisioning.

Divergences in terms of above circular, are within threshold limits as specified above, hence no disclosure is required with respect to RBI's annual supervisory process for FY 2020.

- As per RBI notification RBI/2021-22/28 DOR.STR.REC.10/21.04.048/2021-22 dated May 5, 2021, Banks are advised that they are permitted to utilize 100 percent of floating provision/countercyclical provisioning buffer held by them as on December 31, 2020 for making specific provisions for non-performing assets with the prior approval of their respective Boards. The Bank has obtained requisite prior approval from its Board of Directors and has utilized floating provision amounting to Rs.384.37 Crore against the requirement for specific provision for non-performing assets for the quarter ended March 31, 2021.



10. COVID - 19 pandemic continues to spread across several countries including India resulting in a significant volatility in Global as well as Indian financial markets and a significant decline in global and local economic activities. The Govt. of India announced a series of lock down measures from March 2020 onwards. Such lockdowns were lifted and re-imposed for activities by various governments at various points of time depending on the situation prevailing in their respective jurisdictions. The current second wave of COVID 19 pandemic, wherever the number of new cases have increased significantly in India, has resulted in re-imposition of localized/regional lockdown measures in various parts of the country.

The situation continues to be uncertain and the Bank is evaluating the situation on ongoing basis. The extent to which the Covid-19 pandemic will impact the Bank's results will depend on future developments, which are highly uncertain including among other things, the success of vaccination drive. 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.

11. In terms of RBI Cir No. BP.BC.62/21.04.048/2020-21 dated April 17, 2020, on COVID-19 regulatory package – Review of resolution timelines under the prudential framework on resolution of stressed assets, the number of accounts and the amount involved in those accounts where the resolution period was extended is given below for the year ended March 31, 2021:

No. of Accounts in which Resolution Plan extended	12
Amount Involved (Rs in Crores)	7824.62

12. In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020, and clarification dated May 06, 2020 issued by RBI through Indian Bankers Association, the Bank granted moratorium on the payment of instalments and/or interest, as applicable, falling due between March 01, 2020 and May 31, 2020 to eligible borrowers classified as Standard, even if overdue, as on February 29, 2020. In accordance with the additional Regulatory Package guidelines dated May 23, 2020, the Bank granted a second moratorium on instalments or interest, as applicable, due between June 01, 2020 and August 31, 2020. The moratorium period, wherever granted, shall be excluded from the number of days past-due for the purpose of asset classification under RBI's Income Recognition and Asset Classification norms.

Disclosure in terms of RBI circular RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020, COVID-19 regulatory Package-Asset Classification and Provisioning FY 2020-21:

Sl. No.	Particulars	Amount (in Rs. Crore)
(i)	Respective amounts in SMA/overdue categories as on 29.02.2020, where moratorium/deferment was extended in terms of paragraph 2 and 3	75219.48
(ii)	Respective SMA2 amounts where asset classification benefits were extended	7559.38
(iii)	Provisions made during Q4FY2020 and Q1FY2021 in terms of paragraph 5 of above mentioned Circular	1027.16
	Provision made in Q4FY2020	415.40
	Provision made in Q1FY2021	611.76
(iv)	Provisions adjusted during the respective accounting periods against slippages in terms of Paragraph 6 of the above mentioned Circular	1027.16
	Provision adjusted in Q2FY2021	31.85
	Provision adjusted in Q3FY2021	549.27
	Provision adjusted in Q4FY2021	446.04
(v)	Residual provisions held as on 31.03.2021 in terms of paragraph 6 of above mentioned Circular.	NIL

In the order dated September 03, 2020, Hon'ble Supreme Court of India in writ petition Gajendra Sharma vs. Union of India & others, has directed that accounts which were not declared as NPA till August 31, 2020 shall be declared as NPA till further orders based on the same, the Bank has



not classified any account as NPA which was not NPA as on August 31, 2020. As a matter of prudence, the Bank made a contingent provision of Rs. 2,519.99 Crore (including Rs. 430.63 crore for derecognised interest) till 31.12.2020. The above order of the Hon'ble Supreme Court of India stood vacated pursuant to order dated 23.03.2021.

In view of the above, as per the instructions of RBI Circular dated 07.04.2021, the Bank has classified these borrower accounts as per extant IRAC norms as on March 31, 2021 and reversed the above additional provisions.

14. In accordance with the instructions of RBI circular dated 07.04.2021 on "Asset Classification and Income Recognition following the expiry of Covid 19 regulatory package", the Bank shall refund/adjust 'interest on interest' charged to all borrowers including those who had availed of working capital facilities during moratorium period i.e.01.03.2020 to 31.08.2020, irrespective of whether moratorium had been fully or partially availed or not availed. Pursuant to these instructions, the methodology for calculation of the amount to refunded/adjusted for different facilities shall be finalized by the Indian Bank Association (IBA) in consultation with other industry participants/bodies, which shall be adopted by all the lending institutions. Accordingly, IBA vide its letter dated 19.04.2021 has informed methodology finalised for refund/adjustment as per Supreme Court judgement.

Accordingly, the Bank has created an estimated liability of Rs.328.00 Crore towards the same and has reduced the same from interest income for the year ended March 31, 2021.

15. Details of resolution plan implemented under Resolution Framework for Covid 19 related stress as per RBI Circular dated 06.08.2020 are given below:

(Rs.in Crore)

Type of Borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution
Personal Loan	6,654	773.47	Nil	Nil	77.35
Corporate Persons	11	521.45	Nil	Nil	52.14
Of which, MSMEs	5	160.77	Nil	Nil	NA
Others	207	43.15	Nil	Nil	4.31
Total	6,872	1,338.06	Nil	Nil	133.81

16. Bank has availed dispensation for deferment of provision in respect of frauds reported for the year of Rs. 9232.31 Crore requiring additional provision of Rs. 4,118.81 Crore 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.3,105.71 Crore has been charged to Profit and Loss Account and an amount of Rs.1,013.10 Crore has been charged to Reserves & deferred for adjustment in subsequent quarters.

17. The Bank has estimated the liability for Unhedged Foreign Currency Exposure (UFCE) in terms of RBI circular DBOD.No.BP.BC.85/21.06.200/2013-14 dated January 15, 2014 and is holding a provision of Rs.87.91 Crore as on March 31, 2021.

18. In accordance with RBI circular no. DBR.No.BP.BC.18/21.04.048/2018-19 dated January 01, 2019 DOR.No.BP.BC.34/21.4.048/2019-20 dated February 11, 2020 and DOR.No.BP.BC/4/21.04.048/2020-21 dated August 06, 2020 on "Relief for MSME borrowers either exempted or registered under Goods and Service Tax (GST)" the details of MSME restructured accounts from January 01, 2019 to March 31, 2021 as under:

No. of Accounts Restructured

Amount (Rs.in Crore)



3274

19. In terms of notification no.CG-DL-E-23032020-218862 dated March 23, 2020 issued by the Ministry of Finance (Department of Financial Services) containing amendment in Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970, after complying with the requirements of Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970 and sub - section (2BBA) of section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Bank has appropriated accumulated losses of Rs.28,707.92 Crore from its share premium account on August 06, 2020. The said appropriation has no impact on Bank's Paid-up capital, Capital Adequacy, Leverage Ratio and Net Worth.
20. During the FY 2020-21 the Bank has issued 1,06,70,52,910 equity shares having Face Value of Rs.2 each for cash to Qualified Eligible Buyers pursuant to Qualified Institutional Placement (QIP) in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 at a premium of Rs.33.50 per share aggregating Rs. 3,788.04 Crore. This has resulted in an increase of Rs.213.41 Crore in the issued and paid up Equity Share Capital and Rs. 3,563.91 Crore (Net of Issue Expenses) in Share Premium Account.
21. During the quarter and year ended March 31, 2021, Bank has issued Basel III compliant Additional Tier-I Bonds of Rs.495.00 Crore (including Rs.495.00 Crore raised during the quarter ended 31.03.2021) through private placements. Further, the Bank has also raised Basel III compliant Tier II Bonds of Rs. 3,994 Crore during FY 2020-21 through private placements.
22. The local Banking Regulator of JSC Tengri Bank (an associate of the Bank) revoked its license w.e.f. 18.09.2020 and appointed Temporary Administrator. The Temporary Administrator filed law suit for liquidation process of JSC Tengri Bank on 28.09.2020. On 15.02.2021, the decision on liquidation of JSC Tengri Bank came into force by the Appeal Court. On 19.02.2021, the Liquidation commission of Tengri Bank published information of liquidation of the Bank. During the quarter ended 30.09.2020, the Bank made provision for investment of Rs. 341.59 Crore in JSC Tengri Bank. Further, during the quarter ended March 31, 2021, provision of Rs. 351.29 Crore towards deposit in JSC Tengri Bank has been made.
23. In terms of RBI Circular DBR No. BP. BC 45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets, the Bank is holding additional provision of Rs.2,139.28 Crore as on March 31, 2021 in 15 accounts as detailed below:

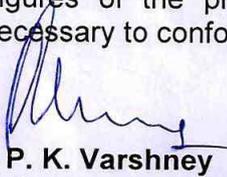
(Rs.in Crore)

Amount of loans impacted by RBI Circular	Amount of loans to be classified as NPA	Amount of loans as on 31.03.2021 out of (b) classified as NPA	Provision held as on 31.12.2020	Additional provision made during quarter ended 31.03.2021	Provision held as on 31.03.2021
(a)	(b)	(c)	(d)	(e)	(f)
9,491.98	3,605.06	3,605.06	885.94	1,253.34	2,139.28

24. The Provisioning Coverage Ratio as on March 31, 2021 is 80.14%. (Previous Year 77.79%).
25. In terms of RBI circular no. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 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 audit by the Statutory Central Auditors.
26. The Bank has evaluated the options available under section 115BAA of Income Tax Act, 1961 and opted to continue to recognise the taxes on income for FY 2020-21 as per the earlier provisions of Income Tax Act, 1961.
27. Details of Investors complaints for the quarter ended March 31, 2021: Pending at Beginning: Nil; Received: 05; Disposed off: 04; Pending for Closure: 1.



28. In accordance to SEBI LODR, for the purpose of quarterly/yearly consolidated financial results, minimum eighty percent of consolidated revenue, assets and profits have been subjected to audit.
29. The figures for the quarter ended March 31, 2021 are the balancing figures between audited figures for year ended March 31, 2021 and the published year to date figures up to December 31, 2020.
30. Figures of the previous periods have been regrouped / rearranged / re-classified wherever necessary to conform to current period's classification.


P. K. Varshney

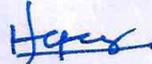
Assistant General Manager



R.K. Khichi
Deputy General Manager



Praveen Kumar Sharma
General Manager



D K Jain
Chief General Manager & CFO



Swarup Kumar Saha
Executive Director



Vijay Dube
Executive Director

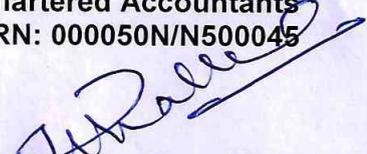


Sanjay Kumar
Executive Director



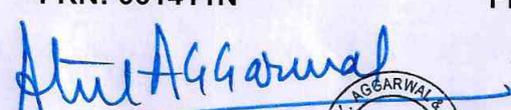
CH. S.S. Mallikarjuna Rao
Managing Director & CEO

For S.N. Dhawan & Co. LLP
Chartered Accountants
FRN: 000050N/N500045


CA Surinder Kr. Khattar
Partner
(M.No. 084993)
Place: New Delhi



For M K Aggarwal & Co.
Chartered Accountants
FRN: 001411N


CA Atul Aggarwal
Partner
(M.No. 099374)
Place: New Delhi

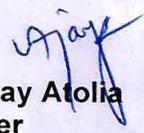


For A John Moris & Co.
Chartered Accountants
FRN: 007220S

CA G Kumar
Partner
(M.No. 023082)
Place: Chennai

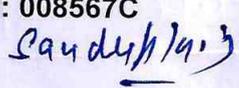


For S R Goyal & Co.
Chartered Accountants
FRN: 001537C


CA Ajay Atolia
Partner
(M.No. 077201)
Place: New Delhi



For PSMG & Associates
Chartered Accountants
FRN: 008567C


CA Sandeep Jain
Partner
(M.No. 077281)
Place: New Delhi



Date: June 04, 2021

PUNJAB NATIONAL BANK
Statement of Standalone Cash Flow for the year ended 31st Mar 2021

(Rs in 000)

	Year ended 31.03.2021	Year Ended 31.03.2020
A. Cash Flow from Operating Activities		
Net Profit after Tax	2021 61 87	336 19 44
Provision for Tax	1457 77 96	402 78 84
(I) Net Profit before taxes	(i) 3479 39 83	738 98 28
(II) Adjustments for:		
Depreciation on fixed assets	974 91 80	607 67 93
Depreciation/(Release) on Investments (net)	258 26 15	(365 01 17)
Depreciation/(Release) on Investments in Subsidiary/JV	341 58 76	-
Provisions for non performing assets	17059 51 49	14464 07 64
Provision on Standard Assets	1273 86 76	73 07 24
Other Provision (net)	568 09 57	(171 22 96)
Dividend from Subsidiary / Others	(139 72 62)	(94 60 71)
Profit / Loss on sale of Fixed Assets (net)	12 75 38	(41 66 73)
Interest paid on Bonds	1992 87 01	1176 20 46
Sub Total	(ii) 22342 14 30	15648 51 70
Operating Profit before Changes in Operating Assets and Liabilities	(i+ii) 25821 54 13	16387 49 98
(III) Adjustment for net change in Operating Assets and Liabilities		
Decrease / (Increase) in Investments	(21672 56 66)	(37917 66 54)
Decrease / (Increase) in Advances	5312 24 53	(28116 33 89)
Decrease / (Increase) in Other Assets	(6235 97 92)	(1379 11 68)
Increase / (Decrease) in Deposits	34769 84 06	27816 18 45
Increase / (Decrease) in Borrowings	(27180 45 55)	12099 51 41
Increase / (Decrease) in Other Liabilities & Provisions	(9466 18 92)	620 65 89
	(iii) (24473 10 46)	(26876 76 36)
Cash generated from Operations	(i+ii+iii) 1348 43 67	(10489 26 39)
Direct Taxes paid (net off refund)	(156 31 05)	(2123 33 38)
A Net Cash from Operating Activities	(A) 1192 12 62	(12612 59 77)
B Cash Flow from Investing Activities		
Purchase of Fixed Assets (net off Sales)	(774 64 51)	(330 02 63)
Dividend recd from Subsidiary/Others	139 72 62	94 60 71
Investment in Subsidiary/Others	(204 24 83)	(4 06 52)
Net Cash from/(used) in Investing Activities	(B) (839 16 72)	(239 48 43)
C. Cash flow from Financing Activities		
Share Capital/Share Application Money/Share Premium	3777 32 45	16091 00 00
Issue/(Redemption) of Bonds	3508 94 07	(1200 00 00)
Interest paid on Bonds	(1992 87 01)	(1333 92 96)
Cash paid to Shareholder of e-OBC & e-UNI towards fractional entitlement consequent to amalgamation	(50 12)	-
Net Cash from/(used) Financing Activities	(C) 5292 89 39	13557 07 04
D. Cash and Cash Equivalents received on account of amalgamation	(D) 29710 82 20	-
E. Net Change in Cash and Cash Equivalents	(A+B+C+D) 35356 67 49	704 98 84
Cash and Cash Equivalents at the beginning of the year		
Cash and Balances with Reserve Bank of India	38397 85 04	32129 13 38
Balances with Banks & Money at Call & Short Notice	37595 17 92	43158 90 74
	75993 02 96	75288 04 12

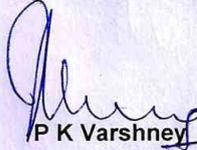


Cash and Cash Equivalents at the end of the yearCash and Balances with Reserve Bank of India
Balances with Banks & Money at Call & Short Notice

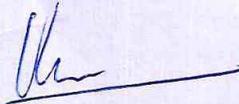
43958 82 83	38397 85 04
67390 87 62	37595 17 92
111349 70 45	75993 02 96

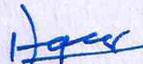
Notes :-

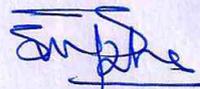
- 1 Direct taxes paid (net off refund) are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- 2 All figures in minus represents "Cash Out Flow"
- 3 Figures of 31.03.2020 are related to standalone pre amalgamated Punjab National Bank, hence not comparable with post amalgamation financials of 31.03.2021
- 4 Figures of previous period have been regrouped wherever considered necessary to conform current period classification.

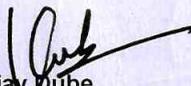

P K Varshney
 Asst. General Manager


R K Khichi
 Deputy General Manager


Praveen Kumar Sharma
 General Manager


D K Jain
 Chief General Manager & CFO


Swarup Kumar Saha
 Executive Director


Vijay Dube
 Executive Director


Sanjay Kumar
 Executive Director


CH. S.S. Mallikarjuna Rao
 Managing Director & CEO

Pankaj Jain
 Director

Vivek Aggarwal
 Director

Dr. Asha Bhandarker
 Director

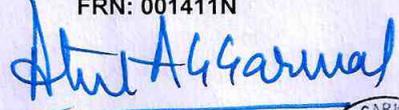
Gautam Guha
 Director

As per our Report of even date

 For S N Dhawan & Co. LLP
 Chartered Accountants
 FRN: 000050N/N500045


CA Surinder Kr. Khattar
 Partner
 (M.No. 084993)
 Place: New Delhi

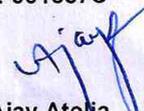
 For M K Aggarwal & Co.
 Chartered Accountants
 FRN: 001411N


CA Atul Aggarwal
 Partner
 (M.No. 099374)
 Place: New Delhi

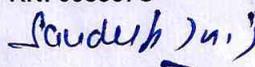
 For A John Moris & Co.
 Chartered Accountants
 FRN:007220S

CA G Kumar
 Partner
 (M.No. 023082)
 Place: Chennai

 For S R Goyal & Co.
 Chartered Accountants
 FRN: 001537C


CA Ajay Atolia
 Partner
 (M.No. 077201)
 Place: New Delhi

 For PSMG & Associates
 Chartered Accountants
 FRN: 008567C


CA Sandeep Jain
 Partner
 (M.No. 077281)
 Place: New Delhi


Date : June 04, 2021

PUNJAB NATIONAL BANK
Statement of Consolidated Cash Flow for the year ended 31st March 2021

(Rs. In '000)

		Year Ended 31.03.2021	Year Ended 31.03.2020
A. Cash Flow from Operating Activities			
	Net Profit after Tax	25619702	4384500
	Provision for Tax	16320302	4636800
(I)	Net Profit before taxes (i)	41940004	9021300
(II)	Adjustments for:		
	Depreciation on fixed assets	9822322	6144400
	Depreciation/(Release) on Investments [net]	6595551	(3667300)
	Provisions for non performing assets	174030417	147157800
	Provision on Standard Assets	12806722	734600
	Other Provision (net)	5682442	(900100)
	Share of earning in Associates	(5421613)	(1216000)
	Profit / Loss on sale of Fixed Assets (net)	127377	(416700)
	Interest paid on Bonds	19928701	11762000
	Sub Total (ii)	223571919	159598700
	Operating Profit before Changes in Operating Assets and Liabilities (i+ii)	265511923	168620000
(III)	Adjustment for net change in Operating Assets and Liabilities		
	Decrease / (Increase) in Investments	(196744006)	(427158300)
	Decrease / (Increase) in Advances	48786421	(292433900)
	Decrease / (Increase) in Other Assets	(64185379)	(1760800)
	Increase / (Decrease) in Deposits	357461845	283801900
	Increase / (Decrease) in Borrowings	(300057713)	168746700
	Increase / (Decrease) in Other Liabilities & Provisions	(95234583)	(5765000)
	(iii)	(249973415)	(274569400)
	Cash generated from Operations (i+ii+iii)	15538508	(105949400)
	Direct Taxes paid (net off Refund)	(3143186)	(21981000)
A.	Net Cash from Operating Activities (A)	12395322	(127930400)
B.	Cash Flow from Investing Activities		
	Purchase of Fixed Assets (net off Sales)	(7868387)	(3383300)
	Net Cash used in Investing Activities (B)	(7868387)	(3383300)
C.	Cash flow from Financing Activities		
	Share Capital/Share Application Money/Share Premium	37773263	160910000
	Issue/(Redemption) of Bonds	35051057	(11902300)
	Payment of Dividends (incl.tax on Dividend)	0	(300100)
	Interest paid on Bonds	(19928701)	(13526000)
	Cash paid to Shareholder of e-OBC & e-UNI towards fractional entitlement consequent to amalgamation	(5012)	0
	Increase/ (Decrease) in Minority Interest	1261029	729900
	Net Cash from Financing Activities (C)	54151636	135911500
D.	Cash and Cash Equivalents received on account of amalgamation (D)	297108220	0
E.	Net Change in Cash and Cash Equivalents (A+B+C+D)	355786791	4597800
	Cash and Cash Equivalents at the beginning of the year		
	Cash and Balances with Reserve Bank of India	386037900	323383200
	Balances with Banks & Money at Call & Short Notice	391519600	449576500
		777557500	772959700



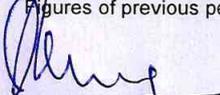
Cash and Cash Equivalents at the end of the year

Cash and Balances with Reserve Bank of India
Balances with Banks & Money at Call & Short Notice

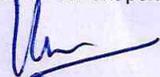
442672702	386037900
690671589	391519600
1133344291	777557500

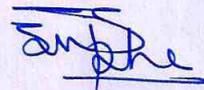
Notes :-

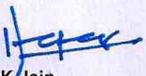
- 1 Direct taxes paid (net off refund) are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- 2 All figures in minus represents "Cash Out Flow"
- 3 Figures of 31.03.2020 are related to consolidated pre amalgamated Punjab National Bank, hence not comparable with post amalgamation financials of 31.03.2021.
- 4 Figures of previous period have been regrouped wherever considered necessary to conform current period classification.


P K Varshney
Asst. General Manager


R K Khichi
Deputy General Manager

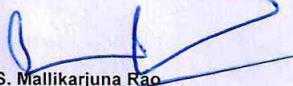

Praveen Kumar Sharma
General Manager


Swarup Kumar Saha
Executive Director


D K Jain
Chief General Manager & CFO


Vijay Dube
Executive Director

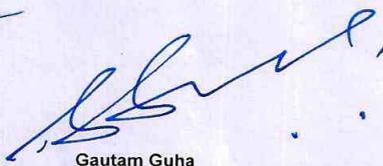

Sanjay Kumar
Executive Director


CH. S.S. Mallikarjuna Rao
Managing Director & CEO

Pankaj Jain
Director

Vivek Aggarwal
Director

Dr. Asha Bhandarker
Director


Gautam Guha
Director

As per our Report of even date

For S N Dhawan & Co. LLP
Chartered Accountants
FRN: 000050N/N500045


CA Surinder Kf. Khattar
Partner
(M.No. 084993)
Place: New Delhi

For M K Aggarwal & Co.
Chartered Accountants
FRN: 001411N


CA Atul Aggarwal
Partner
(M.No. 099374)
Place: New Delhi

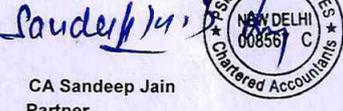
For A John Moris & Co.
Chartered Accountants
FRN:007220S


CA G Kumar
Partner
(M.No. 023082)
Place: Chennai

For S R Goyal & Co.
Chartered Accountants
FRN: 001537C


CA Ajay Atolia
Partner
(M.No. 077201)
Place: New Delhi

For PSMG & Associates
Chartered Accountants
FRN: 008567C


CA Sandeep Jain
Partner
(M.No. 077281)
Place: New Delhi

Date : June 04, 2021



S N Dhawan & Co. LLP
Chartered Accountants
S R Goyal & Co.
Chartered Accountants

M K Aggarwal & Co.
Chartered Accountants
PSMG & Associates
Chartered Accountants

A John Moris & Co.
Chartered Accountants

Independent Auditor's Report on Audited Standalone Financial Results of Punjab National Bank Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
THE BOARD OF DIRECTORS OF
Punjab National Bank,
New Delhi

Report on the Audit of Standalone Financial Results

Opinion

1. We have audited the accompanying Standalone Financial Results of Punjab National Bank ("the Bank") for the year ended March 31, 2021 included in the accompanying Statement of 'Standalone Financial Results for the year ended March 31, 2021 ("the Statement") being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), except for the disclosures relating to Pillar 3 disclosure as at March 31, 2021 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 aforesaid Financial Results and have not been audited by us.

The Standalone Financial Results includes returns for the year ended on that date of:

- i. 20 branches, Treasury division and 45 other office audited by us.
- ii. 5881 Indian branches and other offices audited by Statutory Branch Auditors;
- iii. 2 foreign branches audited by local auditors.

The Branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India. Also incorporated in the Balance Sheet, the Profit and Loss Account and Cash Flow statements are the returns from 6103 Indian branches and other offices which have not been subjected to audit. These Unaudited Branches and other offices account for 8.90 percent of advances, 29.31 percent of deposits, 6.65 percent of interest income and 28.55 percent of interest expenses.

In our opinion and to the best of our information and according to the explanations given to us, the Statements:



- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard except for the disclosures relating to Pillar 3 disclosures at March 31, 2021 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 aforesaid Standalone Financial Results and have not been reviewed or audited by us; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, the relevant provision of the Banking Regulation Act, 1949, RBI guidelines and other accounting principles generally accepted in India of the net profit and other financial information for the year ended March 31, 2021.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Standalone Financial Results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

3. We draw attention to:
 - i. Note No. 3 of the financial results regarding change in accounting policy of appropriation of recovery in NPA accounts.
 - ii. Note No. 10 to the accompanying financial results, which describes the uncertainties due to outbreak of novel corona virus (COVID 19) and the management's assessment of its impact on the business operations of the Bank.

Our opinion is not modified in respect of these matters.

Board of Directors' Responsibility for the Standalone Financial Results

4. The Statement has been prepared from the audited annual Standalone Financial Statements. The Bank's Board of Directors are responsible for the preparation and presentation of these standalone Financial Results that give a true and fair view of the financial positions, financial performance and cash flows of the bank in accordance with the accounting principle generally accepted in India including Accounting Standards issued by the Institute of Chartered Accountants of India, 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 in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Banking Regulations Act, 1949 for safeguarding of the assets of the



Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Financial Results, the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

5. Our objectives are to obtain reasonable assurance about whether the standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Standalone Financial Results made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Financial



Results, including the disclosures and whether the standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

6. These Standalone Financial Results incorporate the relevant returns of 5881 branches including other offices and 02 foreign branches audited by the other auditors specially appointed for this purpose. These branches audited by other auditors cover 45.52% of advances, 67.17% of deposits and 47.85% of Non-performing assets as on March 31, 2021, 33.52% of revenue for the year ended March 31, 2021. In conduct of our audit, we have taken note of the unaudited returns in respect of 6103 branches and other offices certified by the respective branch's management. These unaudited branches cover 8.90% of advances, 29.31% of deposits and 6.01% of Non-performing assets as on March 31, 2021 and 6.81% of revenue for the year ended March 31, 2021.
7. As stated in Note no. 4, the Financial Results for the year ended March 31, 2021 includes operations of erstwhile Oriental Bank of Commerce and erstwhile United Bank of India which are amalgamated with the Bank w.e.f. April 1, 2020 and hence the figures for year ended March 31, 2021 are not comparable with corresponding year ended March 31, 2020.
8. We report that the figures for the quarter ended March 31, 2021 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2021 and the published unaudited year to date figures up to the December 31, 2020 being the date of the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

Our opinion is not modified in respect of above matters.



For S.N. Dhawan & Co LLP
Chartered Accountants
FRN 000050N/N500045

Surinder Kr. Khattar


CA Surinder Kr. Khattar
Partner
(M.NO.084993)
UDIN: 21084993 AAAACK
Place: New Delhi 3816

For M K Aggarwal & Co.
Chartered Accountants
FRN 001411N

Atul Aggarwal


CA Atul Aggarwal
Partner
(M.NO. 099374)
UDIN: 21099374 AAAAEA2496
Place: New Delhi

For A John Moris & Co.
Chartered Accountants
FRN 007220S



CA G Kumar
Partner
(M.NO.023082)
UDIN: 21023082 AAAAPK 2421
Place: Chennai

For S R Goyal & Co.
Chartered Accountants
FRN:001537C

Ajay Atolia


CA Ajay Atolia
Partner
(M.NO. 077201)
UDIN: 21077201 AAAAU 2972
Place: New Delhi

For PSMG & Associates
Chartered Accountants
FRN: 008567C

Sandeep Jain


CA Sandeep Jain
Partner
(M.NO. 077281)
UDIN: 21077281 AAAAI P 2781
Place: New Delhi

Date: June 04, 2021

S.N. Dhawan & Co LLP
Chartered Accountants

M K Aggarwal & Co.
Chartered Accountants

A John Moris & Co.
Chartered Accountants

S R Goyal & Co.
Chartered Accountants

PSMG & Associates
Chartered Accountants

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

INDEPENDENT AUDITOR'S REPORT

To,
THE BOARD OF DIRECTORS OF
Punjab National Bank
New Delhi

Report on the Audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Consolidated Annual Financial Results of Punjab National Bank ("the Bank") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group") and its associates for the year ended March 31, 2021 ("the Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") except for the disclosures relating to consolidated Pillar 3 disclosure as at March 31, 2021 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 Financial Results and have not been audited by us.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements/financial results/financial information of subsidiaries and associates, referred to in Other Matters section below, the Statement:

- a. the aforesaid Financial Results include the financial results of the following entities:
Parent: Punjab National Bank

Subsidiaries:

- i. PNB Gilts Ltd
ii. PNB Investment Services Ltd



- iii. Punjab National Bank (International) Ltd, UK
- iv. Druk PNB Bank Ltd, Bhutan

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, Moradabad
 - vi. Assam Gramin Vikas Bank, Guwahati
 - vii. Bangiya Gramin Vikas Bank, Murshidabad
 - 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
 - xv. Everest Bank Limited, Kathmandu, Nepal
- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations except for the disclosures relating to consolidated Pillar 3 disclosure as at March 31, 2021 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 Financial Results and have not been audited by us; and
- c. give a true and fair view, in conformity with the applicable accounting standards, RBI guidelines and other accounting principles generally accepted in India, of the consolidated net profit and other financial information of the Group for the year ended March 31, 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its associates in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to:

- a. Note No. 3 of the financial results regarding change in accounting policy of



appropriation of recovery in NPA accounts.

- b. Note No. 10 to the accompanying financial results, which describes the uncertainties due to outbreak of novel corona virus (COVID 19) and the management's assessment of its impact on the business operations of the Bank.

Our opinion is not modified in respect of these matters.

Board of Directors' Responsibility for the Consolidated Financial Results

These Consolidated Financial Results have been compiled from the Consolidated Annual Audited Financial Statements.

The Bank's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the consolidated net profit and other financial information of the Group including its associates in accordance with the recognition and measurement principal laid down in the Accounting Standards issued by the ICAI, 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 and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the entities included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act / Banking Regulations Act, 1949 for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Results by the Directors of the Bank, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the entities included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a



high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Bank and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- i. The Consolidated Financial Results include the audited financial results of 01 subsidiary, whose financial statements/financial results/financial information reflect Group's share of total assets of Rs. 1844.86 crore as at March 31, 2021, Group's share of total revenue of Rs. 124.69 crore and Group's share of total net profit/(loss) after tax of Rs. 19.56 crore. Further, the audited financial results of 02 associates whose financial statements/financial results/financial information reflect Group's share of total net profit/(loss) after tax of Rs. 52.09 crore for the year ended March 31, 2021 respectively, as considered in the Consolidated Financial Results, which have been audited by their respective independent auditors. The independent audited information of these entities have been furnished to us and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these auditor's reports on financial statements/financial results/financial information of these entities, is based solely on the reports of such auditors and the procedures performed by us are as stated in paragraph above.
- ii. The Consolidated Financial Results include the unaudited financial results of 03 subsidiaries, whose financial statements/financial results/financial information reflect Group's share of total assets of Rs. 18489.36 crore as at March 31, 2021, Group's share of total revenue of Rs. 1350.05 crore and Group's share of total net profit after tax of Rs. 387.38 crore. Further, the unaudited financial results of 13 associates whose financial statements/financial results/financial information reflect Group's share of total net profit/(loss) after tax of Rs. 541.83 crore for the year ended March 31, 2021 respectively, as considered in the Consolidated Financial Results. These unaudited financial statements/financial results/financial information have been furnished to us by the Board of Directors and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates is based solely on such unaudited financial statements/financial results/financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements/financial results/financial information are not material to the Group.
- iii. As stated in Note no. 4 of the Financial Results for the year ended March 31, 2021 includes operations of erstwhile Oriental Bank of Commerce and erstwhile United Bank of India which are amalgamated with the Bank w.e.f. April 1, 2020 and hence the figures for year ended March 31, 2021 are not comparable with corresponding year ended March 31, 2020.

Our opinion on the Consolidated Financial Results is not modified in respect of the above



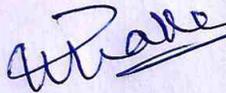
matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

The Consolidated Financial Results include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the December 31, 2020 of the current financial year which were subject to limited review by us.

For S.N. Dhawan & Co LLP

Chartered Accountants

FRN 000050N/N500045




CA Surinder Kr. Khattar

Partner

(M.NO.084993)

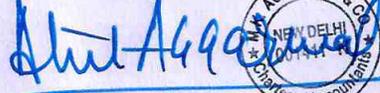
UDIN: 21084993AAAACL5806

Place: New Delhi

For M K Aggarwal & Co.

Chartered Accountants

FRN 001411N




CA Atul Aggarwal

Partner

(M.NO. 099374)

UDIN: 21099374AAAAEB8045

Place: New Delhi

For A John Moris & Co.

Chartered Accountants

FRN 007220S



CA G Kumar

Partner

(M.NO.023082)

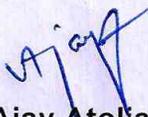
UDIN: 21023082AAAAPL4841

Place: Chennai

For S R Goyal & Co.

Chartered Accountants

FRN:001537C




CA Ajay Atolia

Partner

(M.NO. 077201)

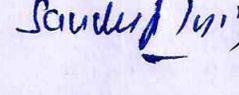
UDIN: 21077201AAAAAV9492

Place: New Delhi

For PSMG & Associates

Chartered Accountants

FRN: 008567C




CA Sandeep Jain

Partner

(M.NO. 077281)

UDIN: 21077281AAAAI85825

Place: New Delhi

Date: June 04, 2021