

**RETAIL PNB - DIGITAL PNB**

**PRESS RELEASE**

**FINANCIAL RESULTS FOR THE QUARTER & FY ENDED 31<sup>ST</sup> MARCH 2016**

**PERFORMANCE HIGHLIGHTS**

- Global Business grew by 9.5% to Rs 9.65 Lac Cr.
- CASA Deposits crossed landmark of Rs. 200000 Cr & its share to Domestic Deposits stood at 41.63%.
- Operating Profit at Rs 12216 Cr for FY 16, more than Rs. 10000 Cr. for consecutive 5 years in a row.
- Net Advances increased by 8.4 % on YOY to Rs.412326 Cr.
- Share of Small Ticket Adv. to Domestic Non Food Credit. growing up and at 57.6%.
- Domestic NIM stood at 2.95% during FY 16.
- Cost of deposits came down to 5.85% during FY 16 from 6.09% as on FY 15 due to least dependence on bulk deposits.

**Results at a Glance**

**Rs in Cr.**

Particulars	FY 2015	FY 2016	YoY Growth
Global Business	881913	965377	9.5
Global deposits	501379	553051	10.3
CASA	183780	205583	11.9
Domestic CASA share	40.57%	41.63%	-
Saving	150200	169426	12.8
Net Advances	380534	412326	8.4
Operating Profit	11955	12216	2.2

**Reorientation of Business:**

The Bank has reoriented its business model in alignment with the economic scenario towards **small ticket business**. Riding on the **Digital wave**, PNB is driving fresh growth in business through its vast network of branches spread Pan India.

**Business Transformation:**

Bank has framed strategies for all-round development and strength under “**PNB Indradhanush**”. This is multidimensional approach for business transformation focusing at People development, Digital banking, Improved customer service, Quality credit, Improved CASA and Profit maximization. Defining the priorities, PNB is pioneer in setting up “**War Room**” for real time Resolution, Recovery and Up gradation of NPAs.

## **NETWORK**

- Bank has 14756 touch points. Domestic branch network stands at 6760 and number of Business Correspondents at 7996 as on 31.03.2016. ATM network of the Bank is at 9463.

## **INTERNATIONAL FORAYS**

- Bank is having 4 overseas branches, 2 in Hong Kong, 1 in Dubai and 1 Offshore Banking Unit in Mumbai and 4 Representative Offices (RO) at Dubai, Shanghai, Sydney and Dhaka.
- Bank has two overseas subsidiaries viz. PNB International Ltd. –UK and Druk PNB Bank Ltd, One associate company viz. JSC SB PNB Kazakhstan and one Joint Venture Bank in Nepal i.e. Everest Bank Ltd.

## **BUSINESS**

- Total Business of the Bank stood at Rs 965377 Cr as on Mar'16 registering a yoy growth of 9.5% over corresponding period last year.

### **Deposits**

- Total Deposits of the Bank recorded a yoy growth of 10.3% to reach Rs.553051 Cr as on Mar'16.
- CASA deposits increased to Rs.205583 Cr in Mar'16 recording a yoy growth of 11.9%. Domestic CASA share improved to 41.63% as on Mar' 16 from 40.57% in Mar' 15. The share is one of the highest among nationalized banks.
- Saving deposits increased by 12.8% on yoy basis to Rs 169426 Cr.

### **Advances**

- Net Advances increased to Rs. 412326 Cr registering a yoy growth of 8.4% as on Mar'16.
- In line with Bank's objective to achieve profitable growth from the grassroots, share of small ticket advances to Non food credit increased to 57.6% in Mar'16 from 55.6% in Mar'15.
- Retail loans were at Rs 57801 Cr as on Mar'16, growing 19% on yoy basis over Mar'15. Housing loan grew yoy by a robust 25% to Rs 26923 Cr in Mar'16.
- MSME Advances increased to Rs. 93472 Cr in Mar'16 showing yoy growth of 19.6%.

### **Micro, Small & Medium Advances**

- Credit to Micro & Small Enterprises grew by 17.4% to Rs 70711 Cr as on Mar'16.
- Credit to Micro enterprises stood at Rs.29319 Cr showing yoy growth of 18.1%.
- Under Pradhan Mantri Mudra Yojana (PMMY), the Bank has opened 596839 accounts and disbursed Rs 3593 Cr as on Mar'16.

## **PROFITABILITY**

### **Operating & Net Profit**

- Operating Profit for FY ended Mar' 16 stood at Rs 12216 Cr.
- Net Profit for FY 16 stood at Rs (-) 3974 Cr.

### **Income**

- Total Income stood at Rs 54301 Cr. during FY 16.
- Net Interest Income during FY 16 stood at Rs 15312 Cr and Non-interest Income stood at Rs 6877 Cr in FY16.

- **ASSET QUALITY**

- As on Mar '16, Gross NPA ratio stood at 12.90% and Net NPA ratio was at 8.61%.
- Provision Coverage Ratio stood at 51.06% as on Mar'16.
- Restructured assets of the Bank declined to Rs 20144 Cr in Mar'16 from Rs 38315 Cr in Mar'15
- For intensifying the efforts in NPA reduction, a '**War Room**' at HO has been created. E-auction drive and sale to ARCs are the other measures for recovery.

- **FINANCIAL INCLUSION**

- PNB remains committed towards nation building and actively participated in all schemes launched by the Govt.of India for financial & social empowerment of the masses.
- Under the PM Jan Dhan Yojana, Bank opened 130 lacs accounts and issued 97.6 lacs RuPay Cards as on Mar' 16. Rs 1621 Cr have been mobilized in these accounts.
- No of transactions through BC channel have increased to 298 Lacs in Mar'16 against 135 lacs in Mar' 15.

- **MOVE TOWARDS DIGITALIZATION**

- Bank is moving towards digitalization and number of new age digital initiatives have been introduced to provide greater ease and improved delivery of products and services to customers. Concerted efforts are on to increase usage of Alternate Delivery Channels which account for around 58% of transactions.

- **NEW PRODUCTS/INITIATIVES**

- Towards People Development, a new Mobile App based e-Learning Platform named 'PNB Univ' has been launched.
- Tab Banking has been launched for acquisition of new customers using newly set up marketing vertical.
- Mobile App based Banking - 'PNB Mobiease' and 'ATM Assist', for a complete SMS Banking solution and ATM related queries, respectively.
- Online Opening of PPF, RD & Saving A/cs introduced in Internet Banking (IBS).
- Bank has become the first bank in the banking industry to start cash deposit through Micro ATMs.
- For women development, new schemes like PNB Vanita, PNB Power Savings and Mahila Kaushal Vikas Yojna have been launched. Besides, 32 'Women only' branches, branded as 'Akshaya' opened for the women customers only.

- **AWARDS & ACCOLADES**

- Best MSME Bank (Large Bank)-Runners Up - CIMSME- Banking Excellence Awards 2015.
- Golden Peacock National Training Award 2016 by Institute of Directors.
- PNB is ranked 1st among Nationalized Banks as the Most Trusted Bank according to The Brand Trust Report 2016 launched by TRA .

With the transformational agenda set at "**Retail PNB - Digital PNB**" Bank is poised to move forward to be participant in the likely economic growth during the current Financial Year.

**New Delhi**

**Date: 18.05.2016**