

PUNJAB NATIONAL BANK
ANNUAL FINANCIAL RESULTS FOR THE PERIOD ENDED 31st MARCH, 2014

₹ In lacs

| S.No. | Particulars | Quarter Ended (Solo) | | | Year Ended (Solo) | | Year Ended (Consolidated) | |
|-------|---|----------------------|----------------|----------------|-------------------|----------------|---------------------------|----------------|
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| | | AUDITED | REVIEWED | AUDITED | AUDITED | | AUDITED | |
| 1 | Interest Earned (a+b+c+d) | 1110133 | 1098387 | 1037663 | 4322325 | 4188582 | 4495809 | 4307060 |
| | a) Interest/discount on advances/bills | 824913 | 824639 | 779038 | 3239309 | 3184704 | 3370968 | 3270366 |
| | b) Income on Investments | 265940 | 259881 | 240563 | 1026583 | 952995 | 1064721 | 985200 |
| | c) Interest on Balances with RBI & other Inter Bank Funds | 8784 | 9493 | 10228 | 36224 | 32486 | 36980 | 32517 |
| | d) Others | 10496 | 4374 | 7834 | 20209 | 18397 | 23140 | 18977 |
| 2 | Other Income | 139690 | 93843 | 117621 | 457671 | 422343 | 471034 | 430954 |
| 3 | TOTAL INCOME (1+2) | 1249823 | 1192230 | 1155284 | 4779996 | 4610925 | 4966843 | 4738014 |
| 4 | Interest Expended | 709953 | 676275 | 660013 | 2707728 | 2703682 | 2822027 | 2780243 |
| 5 | Operating Expenses (I+II) | 222527 | 245717 | 210100 | 933823 | 816506 | 958149 | 833730 |
| | (i) Employees' Cost | 147778 | 175804 | 142127 | 651045 | 567472 | 661639 | 575148 |
| | (ii) Other operating expenses | 74749 | 69913 | 67973 | 282778 | 249034 | 296510 | 258582 |
| | TOTAL EXPENSES (4+5) (excluding provisions & contingencies) | 932480 | 921992 | 870113 | 3641551 | 3520188 | 3780176 | 3613973 |
| 7 | Operating Profit (3-6) (Profit before Provisions & Contingencies) | 317343 | 270238 | 285171 | 1138445 | 1090737 | 1186667 | 1124041 |
| 8 | Provisions (other than tax) and contingencies | 213869 | 159004 | 147770 | 669394 | 438561 | 689722 | 445395 |
| 9 | Exceptional Items | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 | Profit (+)/Loss (-) from ordinary activities before tax (7-8+9) | 103474 | 111234 | 137401 | 469051 | 652176 | 496945 | 678646 |
| 11 | Tax Expense (Including FBT) | 22839 | 35693 | 24321 | 134794 | 177409 | 143484 | 185922 |
| 12 | Less : Minority Interest | NA | NA | NA | NA | NA | 5683 | 6539 |
| 13 | Add : Share of earnings in Associates | NA | NA | NA | NA | NA | 13929 | 9236 |
| 14 | Net Profit (+)/Loss(-) from ordinary activities after tax (10-11-12-13) | 80635 | 75541 | 113080 | 334257 | 474767 | 361707 | 495421 |
| 15 | Extraordinary items (net of tax expense) | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| 16 | Net Profit (+)/Loss(-) for the period (14-15) | 80635 | 75541 | 113080 | 334257 | 474767 | 361707 | 495421 |
| 17 | Paid up equity Share Capital (Face value ₹ 10/-each) | 36207 | 36207 | 35347 | 36207 | 35347 | 36207 | 35347 |
| | Reserves excluding revaluation reserves | 3412507 | 3089458 | 3089458 | 3412507 | 3089458 | 3595816 | 3268096 |
| 19 | Analytical Ratios | | | | | | | |
| | (i) Share holding of Govt. of India (%) | 58.87 | 58.87 | 57.87 | 58.87 | 57.87 | | |
| | (ii) Capital Adequacy Ratio (%) as per Basel-II | 12.28 | 11.62 | 12.72 | 12.28 | 12.72 | 12.69 | 13.16 |
| | (iib) Capital Adequacy Ratio (%) as per Basel-III | 11.52 | 11.02 | NA | 11.52 | NA | 12.11 | NA |
| | (iii) Earnings per Share (EPS) not annualized in ₹ | | | | | | | |
| | (a) Basic & diluted EPS before extraordinary items | 22.27 | 21.29 | 32.91 | 93.91 | 139.52 | 101.62 | 140.16 |
| | (b) Basic & diluted EPS after extraordinary items | 22.27 | 21.29 | 32.91 | 93.91 | 139.52 | 101.62 | 140.16 |



| S.No. | Particulars | Quarter Ended (Solo) | | | Year Ended (Solo) | | Year Ended (Consolidated) | |
|--|-------------|----------------------|------------|------------|-------------------|------------|---------------------------|------------|
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| | | AUDITED | REVIEWED | AUDITED | AUDITED | | AUDITED | |
| (iv) NPA Ratios: | | | | | | | | |
| (a) Amount of gross non-performing assets | 1888006 | 1659584 | 1346579 | 1888006 | 1346579 | | | |
| (b) Amount of net non-performing assets | 991699 | 908399 | 723650 | 991699 | 723650 | | | |
| (c) % of gross NPAs | 5.25 | 4.96 | 4.27 | 5.25 | 4.27 | | | |
| (d) % of net NPAs | 2.85 | 2.80 | 2.35 | 2.85 | 2.35 | | | |
| (v) Return on Assets (Annualised) % | 0.58 | 0.58 | 0.93 | 0.64 | 1.00 | | | |
| 20 Public Shareholding | | | | | | | | |
| (i) No. of Shares | 148901807 | 148901807 | 148901807 | 148901807 | 148901807 | | | |
| (ii) Percentage of Share holding | 41.13 | 41.13 | 42.13 | 41.13 | 42.13 | | | |
| 21 Promoters and Promoter Group Share Holding | | | | | | | | |
| a) Pledged/Encumbered | | | | | | | | |
| --Number of shares | Nil | Nil | Nil | Nil | Nil | | | |
| --Percentage of shares (as % of the total shareholding of promoter & promoter group) | Nil | Nil | Nil | Nil | Nil | | | |
| --Percentage of shares(as % of the total share capital of the bank) | Nil | Nil | Nil | Nil | Nil | | | |
| b) Non-Encumbered | | | | | | | | |
| --Number of shares | 213168119 | 213168119 | 204571589 | 213168119 | 204571589 | | | |
| --Percentage of shares(as % of the total shareholding of promoter & promoter group) | 100 | 100 | 100 | 100 | 100 | | | |
| --Percentage of shares(as % of the total share capital of the bank) | 58.87 | 58.87 | 57.87 | 58.87 | 57.87 | | | |

Not Applicable

SUMMARISED BALANCE SHEET

(₹ In Crore)

| Particulars | Solo | Solo |
|--|-----------------------------|-----------------------------|
| | As at Mar 2014 (Audited) | As at Mar 2013 (Audited) |
| CAPITAL & LIABILITIES | | |
| Capital | 362.07 | 353.47 |
| Reserves & Surplus | 35533.25 | 32323.43 |
| Deposits | 451396.75 | 391560.06 |
| Borrowings | 48034.41 | 39620.92 |
| Other Liabilities and Provisions | 15093.44 | 15089.85 |
| TOTAL | 550419.92 | 478947.73 |
| ASSETS | | |
| Cash & Balances with Reserve Bank of India | 22245.58 | 17886.25 |
| Balances with Banks & Money at Call & Short Notice | 22972.87 | 9249.13 |
| Investments | 143785.50 | 129896.19 |
| Advances | 349269.12 | 308795.90 |
| Fixed Assets | 3419.74 | 3357.68 |
| Other Assets | 8727.11 | 9762.58 |
| TOTAL | 550419.92 | 478947.73 |



SEGMENT REPORTING FOR THE QUARTER /YEAR ENDED 31st MARCH 2014

₹ In lacs

| Sr. No. | Particulars | Quarter Ended | | | Year Ended | |
|-----------|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Standalone | | | Standalone | |
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| | Audited | Reviewed | Audited | Audited | Audited | |
| 1 | Segment Revenue | | | | | |
| | (a) Treasury Operations | 307450 | 281354 | 283466 | 1156487 | 1064204 |
| | (b) Corporate/Wholesale Banking | 607444 | 570468 | 558325 | 2280260 | 2234046 |
| | (c) Retail Banking | 331103 | 329717 | 291137 | 1298618 | 1244100 |
| | (d) Other Banking Operations | 3826 | 10691 | 22356 | 44631 | 68575 |
| | Total Revenue | 1249823 | 1192230 | 1155284 | 4779996 | 4610925 |
| 2 | Segment Results | | | | | |
| | (a) Treasury Operations | 36245 | 27723 | 49619 | 130238 | 120923 |
| | (b) Corporate/Wholesale Banking | 205727 | 184473 | 169961 | 724758 | 673135 |
| | (c) Retail Banking | 112558 | 106626 | 88708 | 412753 | 374857 |
| | (d) Other Banking Operations | 1525 | 3521 | 6783 | 14186 | 20662 |
| | Total | 356055 | 322343 | 315071 | 1281935 | 1189577 |
| 3 | Unallocated Expenditure | 38712 | 52105 | 29900 | 143490 | 98840 |
| 4 | Operating Profit | 317343 | 270238 | 285171 | 1138445 | 1090737 |
| 5 | Profit before Tax | 103474 | 111234 | 137401 | 469051 | 652176 |
| 6 | Provision for Tax | 22839 | 35693 | 24321 | 134794 | 177409 |
| 7 | Extraordinary items | | 0 | 0 | 0 | 0 |
| 8 | Share of Earning in Associates(Net) | | | | | |
| 9 | Minority Interest | | | | | |
| 10 | Net profit | 80635 | 75541 | 113080 | 334257 | 474767 |
| 11 | Segment Assets | | | | | |
| | (a) Treasury Operations | 14738938 | 14690791 | 13614511 | 14738938 | 13614511 |
| | (b) Corporate/Wholesale Banking | 27042005 | 25017570 | 23375336 | 27042005 | 23375336 |
| | (c) Retail Banking | 11680455 | 10951780 | 10111671 | 11680455 | 10111671 |
| | (d) Other Banking Operations | 1207539 | 1172926 | 456162 | 1207539 | 456162 |
| | (e) Unallocated | 373055 | 358687 | 337093 | 373055 | 337093 |
| | Total | 55041992 | 52191754 | 47894773 | 55041992 | 47894773 |
| 12 | Segment Liabilities | | | | | |
| | (a) Treasury Operations | 13871663 | 13778978 | 12743438 | 13871663 | 12743438 |
| | (b) Corporate/Wholesale Banking | 25450787 | 23464804 | 21880206 | 25450787 | 21880206 |
| | (c) Retail Banking | 10993149 | 10272035 | 9464715 | 10993149 | 9464715 |
| | (d) Other Banking Operations | 1136485 | 1100126 | 426976 | 1136485 | 426976 |
| | (e) Unallocated | 376 | 42438 | 111748 | 376 | 111748 |
| | Total | 51452460 | 48658381 | 44627083 | 51452460 | 44627083 |
| 13 | Capital Employed | | | | | |
| | (a) Treasury Operations | 867275 | 911813 | 871073 | 867275 | 871073 |
| | (b) Corporate/Wholesale Banking | 1591218 | 1552766 | 1495130 | 1591218 | 1495130 |
| | (c) Retail Banking | 687306 | 679745 | 646956 | 687306 | 646956 |
| | (d) Other Banking Operations | 71054 | 72800 | 29186 | 71054 | 29186 |
| | (e) Unallocated | 372679 | 316249 | 225345 | 372679 | 225345 |
| | Total Capital Employed | 3589532 | 3533373 | 3267690 | 3589532 | 3267690 |

PART B - GEOGRAPHIC SEGMENTS

| Sr. No. | Particulars | Quarter Ended | | | Year Ended | |
|----------|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | Standalone | | | Standalone | |
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| | Audited | Reviewed | Audited | Audited | Audited | |
| 1 | Revenue | | | | | |
| | (a) Domestic | 1196799 | 1152157 | 1108983 | 4682517 | 4520754 |
| | (b) International | 53024 | 40073 | 46301 | 97479 | 90171 |
| | Total | 1249823 | 1192230 | 1155284 | 4779996 | 4610925 |
| 2 | Assets | | | | | |
| | (a) Domestic | 48594534 | 51672151 | 43767324 | 48594534 | 43767324 |
| | (b) International | 6447458 | 519603 | 4127449 | 6447458 | 4127449 |
| | Total | 55041992 | 52191754 | 47894773 | 55041992 | 47894773 |

Notes :

- 1 Segment Liabilities are distributed in the ratio of their respective Segment Assets.
- 2 Figures for the previous period have been reclassified to meet the needs of the user necessary to make them comparable.



NOTES

- 1 The above financial results have been reviewed by the Audit Committee of Board in the meeting held on 12.05.2014 and approved by the Board of Directors in the meeting held on 13.05.2014. 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 requirement of Listing agreement with Stock Exchanges.
- 2 There is no material change in the Accounting Policies adopted during the year March 31, 2014 as compared to those followed in the annual financial statements for the year ended March 31, 2013.
- 3 Banks are required to disclose capital adequacy ratio under Basel III capital regulations from the quarter ended Jun 30, 2013. Accordingly, comparative details for previous period are not applicable.
- 4 The financial results of the bank have been arrived at after considering provisions for non-performing assets, standard assets, restructured advances, standard derivative exposures and investment depreciation on the basis of extant guidelines issued by Reserve Bank of India.
- 5 Provisions for employee benefits pertaining to pension, gratuity and leave encashment have been made on actuarial valuation basis. All other usual and necessary provisions including wage revision and income tax have been made on estimated basis.
- 6 In terms of RBI circular no. DBOD.BP.BC.2/21.06.201/2013-14 dated 01.07.2013 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.
- 7 In accordance with guidelines issued by Reserve Bank of India vide Notification No. DBOD.No.BP.BC.80/21.04.018/2010- 11 dated February 09, 2011, an amount of ₹ 166.18 crore has been charged to Profit & Loss account during the current quarter (₹ 664.73 cr. for the year) towards the amortization relating to enhancement in Gratuity limit and re-opening of pension option for existing employees. Unamortized liability carried forward ₹ 664.73 crores shall be charged proportionately in accordance with the said RBI guidelines.
- 8 During the year bank has allotted 85,96,530 equity shares to Govt. of India of ₹ 10/- each at a premium of ₹571.63 per share as determined by the Board in terms of the Chapter VII of the SEBI Regulations 2009 as amended from time to time (the "SEBI ICDR Regulations") on preferential basis. Consequently the Government share holding as on 31.03.2014 is 58.87% as compared to 57.87% before preferential allotment.
- 9 During the year, bank has also raised tier II capital of ₹ 1500 cr. by issue of BASEL III compliant unsecured redeemable non-convertible tier II bonds.
- 10 Pursuant to Reserve Bank of India circular No.DBOD.No.BP.95/21.04.048/2013-14 dated 07th February 2014, bank has utilised 33% of its floating provision held as at 31st March 2013. Accordingly, an amount of ₹354.86 cr. out of floating provision of ₹1075.36 cr. held as on 31.03.2013 has been utilised towards specific provisions for non performing assets.
- 11 Pursuant to Reserve Bank of India (RBI) Circular No. DBOD. No.BP.BC.77/21.04.018/2013-14 dated 20th December 2013, the Bank has created Deferred Tax Liability on the Special Reserve under section 36(1)(viii) of the Income-tax Act, 1961. The expenditure, amounting to ₹ 231.52 crore due to the creation of DTL on Special Reserve as at March 31, 2013, not previously charged to the Profit and Loss Account, has now been adjusted directly from the Reserves. Had this amount been charged to the Profit & Loss Account in accordance with the generally accepted accounting principles in India, the amount of Profit for year would have been lower by ₹ 231.52 cr. During the current year ₹230.00 cr. have been transferred to Special reserve under Section 36 (1) (viii) of the Income Tax Act, 1961. Deferred Tax Liability of ₹77.18 cr has been provided by debiting the Profit and Loss Account.

- 12 The provisioning Coverage Ratio as at 31st March 2014 works out to 58.17%.



- 13 The Board of Directors in the meeting held on 31/01/2014, declared interim dividend of ₹ 10/- per equity share ₹ 10 each (@ 100% of the paid up capital of the bank). No further dividend is recommended by the Board for the FY 2013-14.
- 14 The figures of last quarter of the year are the balancing figures between audited figures in respect of the financial year and the published year to date figures upto the third quarter of the current financial year.
- 15 Figures of the previous period have been regrouped / rearranged / re-classified wherever necessary to conform to current period's classification.
- 16 Position of complaints from investors as on 31.03.2014:

| At the beginning | Received | Disposed off | Pending |
|------------------|----------|--------------|---------|
| 01 | 15 | 15 | 01 |


(T K Balamukundan)
Asstt. General Manager


(R R Vootap)
Dy. General Manager


(P K Mohapatra)
General Manager


(Dr. Ram S. Sangapure)
Executive Director


(K Veera Brahmaji Rao)
Executive Director


(Gauri Shankar)
Executive Director


(K R Kamath)
Chairman & Managing Director

| | | |
|--|--|--|
| <p>For G S Madhava Rao & Co. Chartered Accountants FRN 001907S</p> <p> (G Manikya Prasad) Partner (M.No. 020105)</p> <p></p> | <p>For Borkar & Muzumdar Chartered Accountants FRN 101569W</p> <p> (Devang Vaghani) Partner (M.No. 109386)</p> <p></p> | <p>For Phillipos & Co. Chartered Accountants FRN 002650S</p> <p> (C H Sreedharan) Partner (M.No. 006281)</p> <p></p> |
| <p>For K N Gutgutia & Co. Chartered Accountants FRN 304153E</p> <p> (B R Goyal) Partner (M.No. 012172)</p> <p></p> | <p>For CVK & Associates Chartered Accountants FRN 101745W</p> <p> (A K Pradhan) Partner (M.No. 032156)</p> <p></p> | <p>For Ramesh Kapoor & Co. Chartered Accountants FRN 001477N</p> <p> (Ramesh Kapoor) Partner (M.No. 080725)</p> <p></p> |

Place : New Delhi
Date : 13.05.2014

