

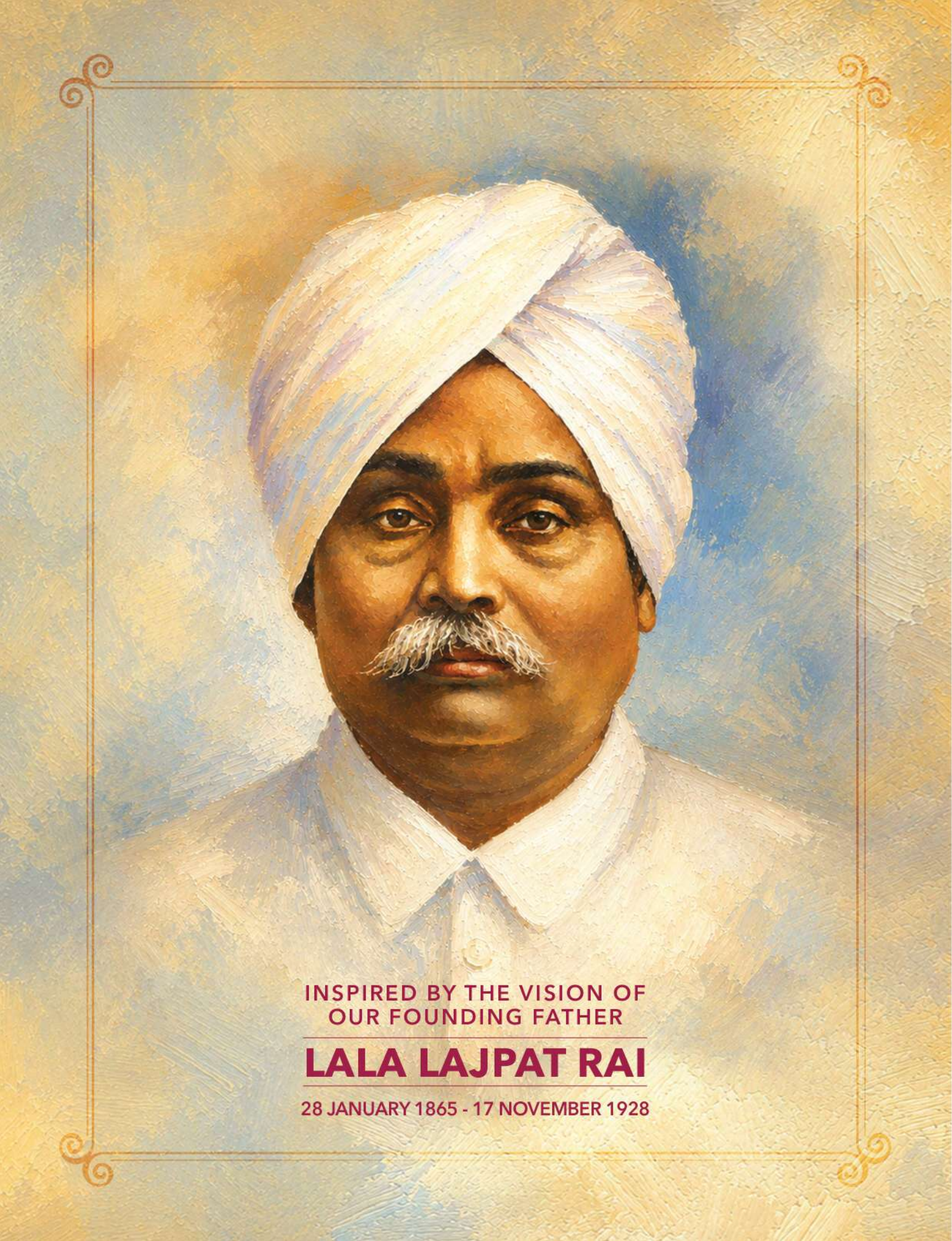


Empowering a billion dreams.
Leading the drive towards

VIKSIT BHARAT

ANNUAL REPORT 2025-26



A portrait of Lala Lajpat Rai, a prominent leader of the Indian independence movement. He is depicted from the chest up, wearing a white turban and a white shirt. The background is a soft, textured blend of yellow and blue. The portrait is framed by a thin, ornate gold border with decorative scrollwork at the corners.

INSPIRED BY THE VISION OF
OUR FOUNDING FATHER

LALA LAJPAT RAI

28 JANUARY 1865 - 17 NOVEMBER 1928

“Serve the country with
dedication and
selflessness, and you
will find your purpose.”



As a leading Public Sector Bank, we are accelerating inclusive growth and nation-building in alignment with the vision *of*

**Viksit
Bharat
2047**

Our Mission

To offer quality financial services by leveraging technology to create value for customers and other stakeholders, opportunities for employees and thus, contributing to the economic growth of nation.

Our Vision

To be a globally trusted banking partner through customer-centric innovations, empowering employees and enriching lives of all stakeholders.

Our Values

We will work as a team for the benefit of customers.

We will incorporate innovation to drive business.

We will be objective in decision making.

We will always be willing to learn and embrace change.

We will adopt ethical practices to develop a culture of trust.

“**The best way to find yourself is to lose yourself in the service of others.**”

Mahatma Gandhi

SERVING NATION THROUGH

54,703 delivery channels

10,324 Branches

11,065 ATMs

33,314 Business Correspondents



International Presence:
Dubai, GIFT City (Gandhi Nagar)
UK and Bhutan,
A **Joint Venture Bank in Nepal,**
and representative offices in
Myanmar and Bangladesh.



Global Gross Business

₹29.70 lacs crore as on 31st March 2026



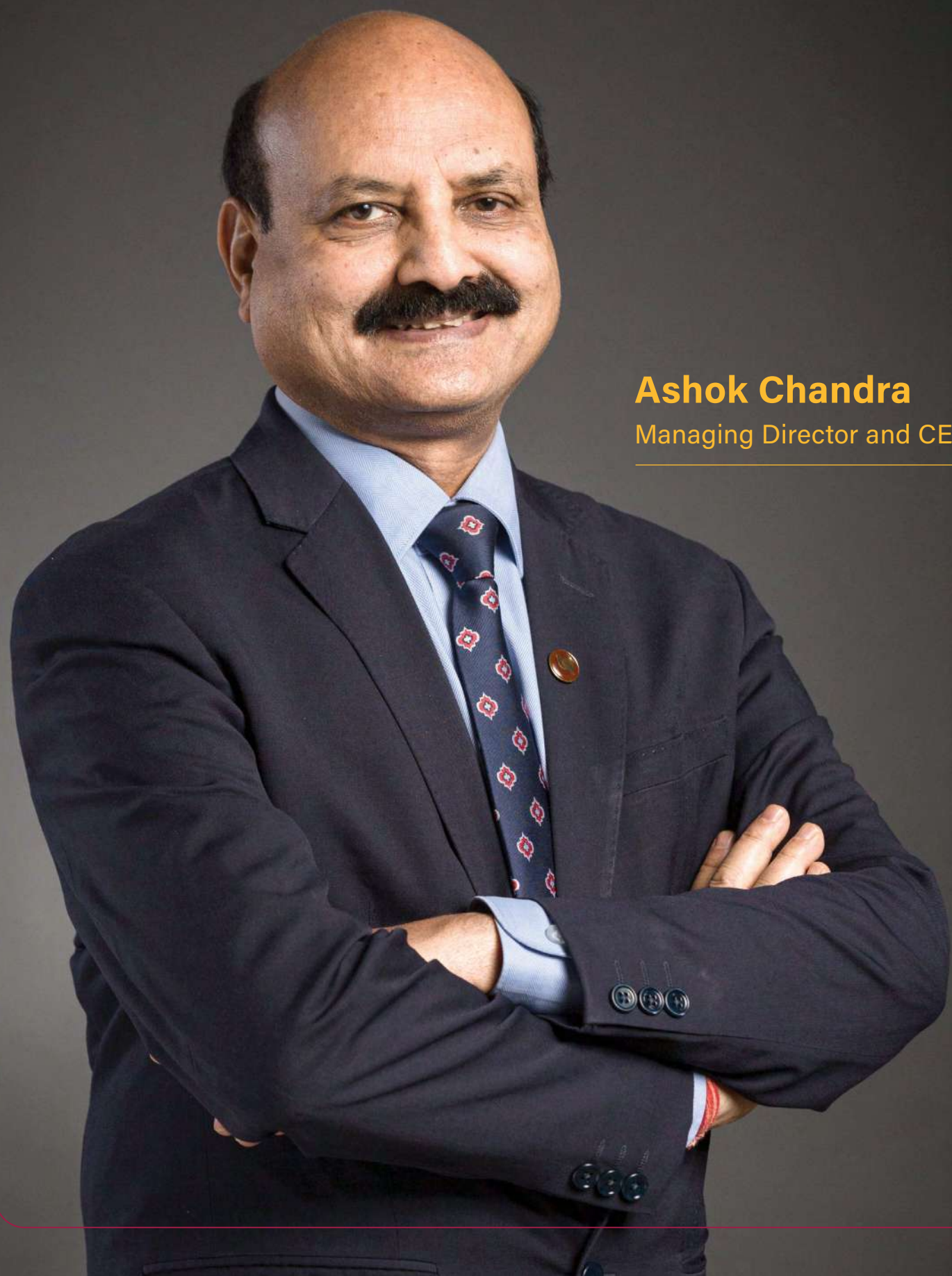
Digital transformation

Digital transactions accounted for
nearly **95%** of total transactions.



Priority Sector Advances

exceeded the **National Goal** of
40% and stood at **41.89%.**



Ashok Chandra
Managing Director and CEO

From the Managing Director & CEO's Desk

Dear valued stakeholders,

On behalf of the Board of Directors and the Management Team, I am privileged to present Annual Report for the financial year 2025-26. This year has been a defining chapter in Bank's journey, a period where we did not just navigate the evolving economic landscape, but actively reshaped the strategies to emerge stronger, more agile, and more purposeful than ever before.

The Macroeconomic Landscape

The global economy in FY 2025-26 has operated under a cloud of shifting trade policies and geopolitical complexities. While the world saw a moderate expansion with Global GDP growth estimated at approximately 3.1 per cent, the momentum remained uneven across regions. The Emerging Market Economies (EMEs) faced headwinds of US Tariff and fluctuating energy costs due to West Asia Crisis, yet the global narrative was one of cautious adaptability.

On **Domestic Front**, India has firmly established itself as the global engine of growth. Despite the external volatility as well as uncertainties, our domestic economy remained a "bright spot," with GDP clocking the impressive growth of ~7.6%¹. This performance was fuelled by robust domestic consumption and sustained public-sector investment in infrastructure over the year. This favourable domestic tailwind provided the stable foundation for the growth.

The strong GDP growth, underpinned by inclusive economic drivers, demonstrates the nation's ongoing transformation towards a more prosperous and self-reliant future. The focus on infrastructure and domestic demand not only strengthens the economy today but also sets the stage for India to realise its aspiration of becoming a leading global powerhouse by 2047, as envisaged under the **"Viksit Bharat" mission**. As the nation moves toward a \$5 trillion economy by FY 2027-28, the Bank remains at the forefront of this journey.

“

**Innovation is our tool,
but customer service is our purpose.
We are building the future
of banking together.**

”

¹As per second estimate of National Statistical Office (NSO)

Overview of the Banking Sector for FY 2025-26²

In 2025-26, deposit growth of SCBs lagged credit growth, with deposits rising by 13.47 per cent to ₹262.30 Lakh Crore and credit expanding by 16.08 per cent to ₹213.61 Lakh Crore. Improved fund mobilisation towards year-end supported strong credit expansion and helped moderate the credit-deposit ratio.

Credit growth was broad-based, led by services, personal loans, agriculture and industry. The agriculture sector grew by 15.7 per cent, industry by 15.0 per cent (mainly MSMEs), services by 19.0 per cent and personal loans by 16.2 per cent. The Banking sector posted the record profitability with PSBs showing an all-time high Net Profit of ₹1.98 Lakh Crore in FY 2025-26.

Asset quality improved significantly as PSBs registered lowest ever NPAs, with the Gross NPA ratio declining to 1.93 per cent and the Net NPA ratio dropping to 0.39 per cent as on 31st March, 2026.

Key Highlights of the Financial Year 2025-26

The Bank engaged Ms. Harmanpreet Kaur, Captain of the Indian Women's Cricket Team, as Brand Ambassador as strategic initiative aimed at consolidating the Bank's brand presence further. Throughout the year, the Bank maintained a steadfast focus on innovation of product and service, enhancing branch ambience, elevating customer service standards, and bolstering cyber security measures. The Bank also opened a Start-Up Branch to provide tailored products to the entrepreneurs. Further, the Bank launched its premium metal credit card, PNB Luxura, specifically designed for high-networth customers, distinguished professionals, and affluent business owners.

The Bank conducted 13 "Mega Outreach Programmes" for Retail, Agriculture and

**The Bank engaged
Ms. Harmanpreet Kaur, Captain of
the Indian Women's Cricket Team,
as Brand Ambassador**

MSME which reflected a proactive approach for business development. More than 1800 camps were conducted in these programmes and helped Bank to generate 3.52 Lakh leads. Due to consistent efforts towards the digitalisation, the Bank crossed digital sanctions of ₹1 Lakh Crore demonstrating commitment towards faster, technology-enabled credit solutions.

On the Cyber Security front, the Bank had organised Hackathon 2025 with IIT Kanpur, themed "Code Against Malware" underscoring the dedication towards innovation and prevention. It was aimed at proactively devising solutions to address emerging cyber threats.

The Bank became the first Public Sector Bank (PSB) to transition its corporate website to the "bank.in" domain, thereby enhancing cybersecurity, preventing fraud, and fostering greater trust among stakeholders.

**Launched Premium Metal Credit Card -
PNB Luxura**

**Conducted 13 Mega Outreach
Programmes for Retail,
Agriculture and MSME**

**Crossed Digital Sanctions of
₹1 Lakh Crore**

On sustainability front, the Bank published its inaugural Sustainability report 2025 on its website marking an important step in its Climate/ESG journey.

These key endeavours along with many other collectively contributed to the Bank's robust financial and operational performance.

Bank's Performance for Financial Year 2025-26

Business

The Bank's Global Business demonstrated satisfactory growth as it grew to ₹29.70 Lakh Crore with Global Advances at ₹12.59 Lakh Crore and Global Deposit at ₹17.11 Lakh Crore. Current Deposits of the Bank was at ₹79,294 Crore while Savings Deposits was at ₹5.30 Lakh Crore. CASA Deposits as on 31st March, 2026 stood at ₹6.10 Lakh Crore as against ₹5.74 Lakh Crore as on 31st March, 2025. The Domestic CASA Share was at 37.0 per cent as on 31st March, 2026. During FY 2025-26, the Bank focused on giving impetus to granular growth and focused on retail customers for liability products by revamping Saving account products with attractive and innovative features for all the segments of customers viz., Salary, Defence personnel, Minors, Youth, Farmers, Women, Pensioners and Senior Citizens to provide a more personalized and modern banking experience to the customers.



Global Business - ₹29.70 Lakh Crore

Current Deposits - ₹79,294 Crore

Savings Deposits - ₹5.30 Lakh Crore

CASA Deposits - ₹6.10 Lakh Crore

Strategic Emphasis on Retail, Agriculture, and MSME (RAM) Segment

The Bank continued to place strategic emphasis on the high-yielding Retail, Agriculture, and MSME (RAM) segment. As on 31st March, 2026, RAM Advances reached

₹6.76 Lakh Crore, marking increase from ₹6.03 Lakh Crore as on 31st March, 2025, and reflecting a robust year-on-year growth of 12.1 per cent. The RAM segment's contribution to Domestic Advances stood at 56.6 per cent as on 31st March, 2026. The Bank's sustained focus on RAM underscores its dedication to fostering balanced, sustainable growth across these critical sectors.

Retail Advances (excluding IBPC) registered year-on-year growth of 18.2 per cent, increased to ₹2.52 Lakh Crore as on 31st March, 2026, up from ₹2.13 Lakh Crore as on 31st March, 2025. This performance highlights the Bank's continued prioritisation of retail lending as part of its RAM strategy.

Agriculture Advances demonstrated growth of 10.7 per cent to ₹2.00 Lakh Crore as on 31st March, 2026, compared to ₹1.81 Lakh Crore as on 31st March, 2025. The Bank's continued focus on agricultural lending reflects its commitment to supporting rural economic development and inclusive growth.

MSME Advances witnessed robust expansion, growing by 19.9 per cent to ₹1.95 Lakh Crore as on 31st March, 2026, from ₹1.63 Lakh Crore as on 31st March, 2025.

All three RAM segments delivered good performance, underscoring the effectiveness of the Bank's focused and strategic approach. This performance was underpinned by the introduction new products/services such as Digi MSME PRIME, Griha Vatika, Housing Loans (Top Up) on digital platform to name a few. In addition to the outreach programmes, the Bank also took up targeted marketing campaigns to amplify the business growth in the segment.

The Bank has entered tie-ups across key retail segments such as housing, auto, and emerging EV financing to strengthen sourcing. The Bank also considered expanding partnerships with various institutions/platforms for quality lead generation.

²As per RBI's fortnightly data released for 31.03.2026

These strategic initiatives have significantly strengthened the RAM portfolio, further consolidating the Bank's position as a leading institution dedicated to driving growth and development within the Retail, Agriculture, and MSME sectors.

Profitability

Total Income for FY 2025-26 stood at ₹1,47,017 Crore, reflecting a year-on-year growth of 6.5 per cent. The Bank's Interest Income was reported at ₹1,28,223 Crore in FY 2025-26, registering the growth of 5.3 per cent.

Net Interest Income (NII) exhibited a slight decline of 1.9 per cent, amounting to ₹41,960 Crore for FY 2025-26 due to policy rate cuts by RBI. Furthermore, Other Income registered robust double-digit growth of 15.2 per cent, reaching ₹18,794 Crore.

Operating Expenses showed decline of 2.51 per cent which was supported by reduction in Establishment expenses by 12.2 per cent in FY 2025-26.

The Bank recorded sequential improvement in its **Operating Profit** during FY 2025-26, with Operating Profit at ₹29,290 Crore, compared to ₹26,831 Crore in FY 2024-25, indicating growth of 9.2 per cent. The **Net Profit** reflected marginal growth of 1.6 per cent, rising to ₹16,904 Crore in FY 2025-26 from ₹16,630 Crore in FY 2024-25. This profit is despite the fact that Bank moved from Old Tax Regime to New Tax Regime and had to provide for additional tax burden of ₹3324.24 Crore in the first quarter of FY 2025-26.



Total Income - ₹1,47,017 Crore
Net Interest Income - ₹41,960 Crore
Operating Profit - ₹29,290 Crore
Net Profit - ₹16,904 Crore

Ratios

The **Return on Equity (RoE)** stood at 15.67 per cent for FY 2025-26, compared to 19.33 per cent in FY 2024-25, while the **Return on Assets**

(RoA) was recorded at 0.89 per cent in FY 2025-26, as against 0.97 per cent in FY 2024-25. **Domestic NIM** was at 2.70 per cent and **Global NIM** at 2.57 per cent for FY 2025-26.



Return on Equity - 15.67 per cent
Return on Assets - 0.89 per cent

The Bank demonstrated notable improvement in productivity metrics. Business per Employee increased to ₹29.42 Crore, and Business per Branch rose to ₹275.63 Crore in FY 2025-26. Net Profit per Employee registered an increase from ₹17.29 Lakh in FY 2024-25 to ₹17.47 Lakh in FY 2025-26, while Net Profit per Branch improved from ₹163.19 Lakh in FY 2024-25 to ₹163.70 Lakh in FY 2025-26.

Improving Asset Quality

Throughout the year, the Bank maintained an unwavering commitment to improving asset quality. These sustained efforts resulted in a marked reduction in Non-Performing Assets (NPAs), both in absolute terms and as a proportion of total assets.

As on 31st March, 2026, **Gross NPAs and Net NPAs** declined to ₹37,124 Crore and ₹3,610 Crore respectively from ₹44,082 Crore and ₹4,291 Crore as on 31st March, 2025.



Gross NPAs - ₹37,124 Crore
Net NPAs - ₹3,610 Crore

Gross NPA Ratio demonstrated significant improvement, decreasing by 100 basis points to 2.95 per cent as on 31st March, 2026, from 3.95 per cent as on 31st March, 2025. The Net NPA Ratio also improved, declining by 11 basis points year-on-year to 0.29 per cent as on 31st March, 2026.

Provision Coverage Ratio (PCR) (including Technical Write-Offs) further strengthened, increasing by 32 basis points to 97.14 per cent

as on 31st March, 2026, compared to 96.82 per cent as on 31st March, 2025.

The Bank's steadfast focus on enhancing recoveries and containing fresh slippages ensured that **net recoveries surpassed net slippages**, thereby maintaining the positive trajectory in asset quality improvement.

Supporting growth through resilient Capital

Capital is one of the key facilitators for Business growth and your Bank maintained adequate capital to meet the credit demand. The Capital-to-Risk (Weighted) Assets Ratio (CRAR) stood at 17.74 per cent as on 31st March, 2026 as against 17.01 per cent as on 31st March, 2025. Tier 1 ratio was at 15.15 per cent and Tier 2 was at 2.59 per cent as on 31st March 2026. The Bank's Liquidity Coverage Ratio (LCR) stood at 140.05 per cent as on 31st March, 2026.

Dividend

The Board of Directors is pleased to recommend a dividend of ₹3.00 per equity share (representing 150% of the face value of ₹2 each) for FY 2025-26, subject to approval at the forthcoming Annual General Meeting (AGM).



Recommended a dividend of ₹3/- per equity share

Priority Sector Achievement & Flagship Govt. Schemes

Over the years, the Bank has been pioneer in rolling out various Government flagship initiatives to contribute towards Financial Inclusion through Pradhan Mantri Jan Dhan Yojana (PMJDY), PM Mudra Yojana (PMMY), Stand Up India, e-PM Vishwakarma Scheme, thereby channelising credit to priority sectors and empowering millions of Indians.

With the robust domestic branch network of 10,324 branches, digital expansion, and adoption of technology, the Bank has further

enhanced operational efficiency, bolstering the country's financial ecosystem and supporting the objectives of economic equity & social empowerment.

Credit to Priority Sector stood at ₹4.56 Lakh Crore as on 31st March, 2026. The share of Priority Sector Advances to Adjusted Net Bank Credit (ANBC) was 41.89 per cent, exceeding the prescribed national target of 40.00 per cent. **Credit to the Agriculture** sector was ₹1.97 Lakh Crore as on 31st March, 2026, representing 18.09 per cent of ANBC, thus achieving the prescribed national target of 18.00 per cent.

As on 31st March, 2026, the Bank sanctioned ₹416 Crore under the PM Vishwakarma Scheme, ₹525 Crore under the PM Vidya Lakshmi Scheme, ₹2,337 Crore under the PM Surya Ghar Yojana, and ₹24,703 Crore under the PM Mudra Yojana (PMMY).

With respect to Social Security schemes, the Bank enrolled 92.74 Lakh individuals under the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), 351.05 Lakh under the Pradhan Mantri Suraksha Bima Yojana (PMSBY), and 57.19 Lakh under the Atal Pension Yojana (APY).

Enhancing Customer Experience and Grievance Redressal

The Bank remains firm in its commitment to elevating the customer experience by continually improving service delivery and grievance redressal mechanisms. Over the past year, several innovative initiatives have been implemented to ensure prompt and effective resolution of customer concerns, while simultaneously enhancing overall satisfaction.

During the year, Bank refined its service and grievance redressal processes and undertook initiatives such as QR-based feedback, a new Customer Relationship Management System (CRM), Relationship Manager Program, customized account numbers, loyalty rewards, monthly meetings of complainants with

Managing Director & Chief Executive Officers (CEO)/Executive Directors (EDs) and live agent chat support. These efforts were able to reduce the customer complaints to the large extent.

In recognition of its outstanding performance in grievance redressal, the Bank has received appreciation from the Department of Financial Services (DFS), Ministry of Finance. This acknowledgment underscores the Bank's dedication to maintaining exemplary standards in customer service and addressing concerns with utmost diligence.

Advancing Digital Transformation Through Innovative Solutions

In FY 2025-26, the Bank reaffirmed its dedication to digitalisation. The Bank significantly upgraded its Mobile Banking and Internet Banking platforms, now offering over 350 features. These enhancements have been thoughtfully designed to cater to diverse customer needs and preferences, ensuring banking services are more accessible, flexible, and user-friendly.

Notable initiatives include deployment of Gen AI-powered chatbots for both employees and customers, as well as the integration of Gen AI into daily operations and the learning and development ecosystem. The Bank also introduced several new digital journeys, such as Digital Loan against FD/RD, Pre-Approved Business Loan, GST Express, Surya Ghar, Self Help Group (SHG) Financing, Tractor Express, KCC Renewal, and Two-Wheeler Loan.

As a result of digital transformation, today **every 3rd loan in the Bank is sanctioned through the digital mode** and share of digital transactions has reached more than 95% and we have achieved the landmark figure of ₹1 Lakh Crore Digital Lending sanctions.

Every 3rd loan in the Bank is sanctioned through the digital mode.

During FY 2025-26, the Bank significantly accelerated its business growth by embedding advanced analytics into its core strategic initiatives. A key milestone in this digital transformation was the launch of **"Portfolio & Relationship Intelligence for Strategic Marketing" (PRISM)**, an integrated analytics hub designed to deliver role-based intelligence through specialized, data-driven modules. Also, the Bank developed localized, entity-specific **MIS Dashboards** for high-profile institutional clients, including various government departments.

Furthermore, the Bank remained vigilant regarding cyber concerns and implemented robust measures to monitor the risk of cyber and digital frauds. In FY 2025-26, concerted efforts were also undertaken to reinforce cyber security through targeted initiatives.

Empowering Employees for a Stronger Bank

The Bank's **Project UDAAN** continued to play its vital role in providing **Capability Building Framework** for aiming at workforce proficiency and adaptability for driving operational efficiency and sustainable growth. During FY 2025-26, the Bank took significant strides in transitioning from traditional personnel management to a modern, data-driven **Human Capital Management** framework.

To foster a high-performance culture, the Bank has expanded the scope of **Digital Performance Monitoring System (PMS)** by integrating objectivity and adaptive target setting, ensuring that every employee has role clarity and actionable insights into their growth. Additionally, the Bank launched **PNB AAGMAN** mobile application to digitising attendance.

The Bank has also taken care of the Holistic Well-being and Inclusion and introduced PNB UDBHAV to attenuate and to make returning female employees feel happy and welcomed on rejoining. The establishment of a dedicated **Diversity Cell** at the Head Office

underscored the focus on supporting the women employees and fostering an inclusive environment where every voice is heard and valued. The Bank also worked towards **"Unnati Path"** to accelerate women's leadership development.

Structural & Strategic Realignment

To better serve our diverse clientele and improve operational efficiency, we have undertaken a comprehensive reorganization of our business verticals and credit delivery mechanisms. In alignment with the National 'Startup India' initiative, we launched a dedicated scheme for startups and inaugurated our first specialized Startup Branch at Bhikaji Cama Place, New Delhi. This branch acts as a hub for tailored banking solutions, providing entrepreneurs with the financial velocity they need to scale.

The first specialized Startup Branch was inaugurated at Bhikaji Cama Place, New Delhi.

Further, the Bank transitioned toward a more granular and expert-led credit structure and, your Bank recognised that asset quality is paramount and revamped recovery architecture by delegating NPA management across **Asset Recovery Monitoring Branches (ARMBs) and Stressed Asset Management (SAM) Branches**.

Upholding Ethics and Integrity

The Bank remains committed to maintaining exemplary standards of business ethics, integrity, transparency, and corporate governance in all areas of our operations. The Bank's unwavering commitment is evident in the robust governance framework, which guarantees compliance with statutory and regulatory norms, effective risk management, and adherence to industry best practices. The Bank has also cultivated a strong culture of ethics and compliance throughout the organisation, encouraging responsible

behaviour and sound decision-making at every level.

Furthermore, the Bank places great emphasis on open and transparent engagement with all our stakeholders viz., including customers, shareholders, employees, regulators, and the broader community further reinforcing trust in the Bank's enduring stability and esteemed reputation within the financial sector.

Managing Risks Concerns

Banks face heightened risks from rapid digitisation, including cyber threats, operational disruptions, and advanced fraud. Key challenges include staying compliant with evolving regulations, reducing NPAs, and securing digital payments.

The Bank places strong emphasis on risk management, backed by a robust IT and Information Security Risk Management Framework to identify, assess, and mitigate IT risks. Additionally, dedicated Artificial Intelligence (AI) & Machine Learning (ML) Governance and Risk Management frameworks address emerging risks in these domains.

Coming to the Third-party Risk Management Policy ensures effective oversight of service provider relationships across their lifecycle such as onboarding, monitoring, and offboarding so that risks are managed at every stage.

The Bank's Business Continuity Management and Operational Resilience Policy guarantee uninterrupted delivery of critical services, supported by a clear governance structure.

To operationalize its climate strategy, the Bank has onboarded a specialized knowledge partner to automate emissions calculations, deploy climate risk dashboards, and execute portfolio stress testing. This partnership will also drive sustainable finance opportunities, streamline regulatory ESG reporting, and establish a granular, data-driven roadmap toward achieving the Bank's Net Zero commitments.

Awards and Recognitions

I would like to mention few awards and accolades which the Bank received during FY 2025-26. On HR development and training front, the Bank was honoured as a **Happy Employer Brand 2025**, reflecting our people first culture by BFSI. The Bank was also recognised for **Institutional Excellence Award** at Industry Academia Conference (IAC) 2026. The Bank was declared winner in the Climate Finance category for the **Viksit Bharat Ambassador of Change Award** (Modinomics 3.0). The Bank also received **Golden Peacock Award** for Excellence in Training (Financial Services-Banking Category) for FY 2025-26 for training initiatives and practices.

The Bank was also acclaimed as one of the **Best BFSI Brands 2026** in Public Sector Bank category by ET Edge. The Bank's focus on fiscal discipline helped secure **First Position at the 19th National Awards for Excellence in Cost Management**, proving that growth of the Bank is both scale-driven and efficiency-led.

In technology, the Bank was awarded 3rd ICC Emerging Asia Banking Awards 2025 for **Best Bank for AI/ML Implementation** (Winner) and Best Bank (Runner Up). The Bank's journey toward becoming a 'Digital-First' bank has reached a historic milestone this year with your Bank secured the **First Position at the Digital Payments Awards 2023-24** under the Public Sector Bank category. The Bank also received recognition as **SKOCH GOLD WINNER 2025-26** for the "Perpetual Pipeline" which is Bank's end-to-end automated lead curation engine.

The Bank was recognized for its outstanding performance at Agriculture Infrastructure Fund (AIF) Scheme and stood 1st in Geo Tagging of sanctioned & disbursed AIF loans accounts and 2nd in AIF Loan Disbursement.

Going forward

India's economy is projected to demonstrate continued resilience in FY 2026-27, with GDP growth forecasted at 6.9 percent. While this represents a slight moderation compared to

the previous fiscal year, India is poised to sustain its trajectory as the world's fastest-growing major economy. This steady performance is particularly notable against a challenging global macroeconomic backdrop marked by heightened geopolitical tensions, volatile crude oil prices, and persistent inflationary pressures. Anchoring this economic momentum is a robust domestic banking sector; backed by strong balance sheets and healthy capitalization, the sector remains well-positioned to drive credit expansion and seamlessly meet the evolving financing needs of the market.

The Bank will also continue to focus on the strategic areas such as **RAM advances, CASA Deposits, Digitalisation, Customer Service and Human Resources**. The Bank would continue to expand its footprints, and it will be our endeavour to continue providing convenience to the customers. Being the leading Banking sector entity, the Bank will contribute towards India's journey towards **VIKSITBHARAT@2047**.

In addition to these strategic priorities, the Bank is deeply committed to upholding the **highest standards of ethics and integrity** in all its operations. Emphasis will also be placed on integrating **Environmental, Social, and Governance (ESG)** principles into the Bank's core business strategies, ensuring responsible growth and sustainable value creation for all stakeholders.

I would like to express my gratitude to all members of the Board for their trust, faith and active association. I also thank the Ministry of Finance and Reserve Bank of India for their continued support and guidance. I also take this opportunity to wholeheartedly thank all our stakeholders including our valuable customers for their unequivocal trust in the Bank. I thank all our employees for their unstinted support during the year.

Yours Sincerely,
(Ashok Chandra)
Managing Director & CEO

Awards & Recognition



BOARD OF DIRECTORS



Shri Ashok Chandra

Managing Director & Chief Executive Officer

EXECUTIVE DIRECTORS



Shri M. Paramasivam



Shri Bibhu Prasad Mahapatra



Shri D. Surendran



Shri Amit Kumar Srivastava

NON EXECUTIVE DIRECTORS



Shri D. Anandan



Dr. Uma Sankar

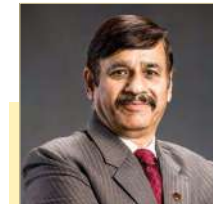


Shri Ambarish Ojha



Smt. Vandana Bhagavatula

CHIEF GENERAL MANAGERS



Shri Vishesh Kumar Srivastava



Shri Sanjeevan Nikhar



Shri Binay Kumar Gupta



Shri Firoz Hasnain



Shri Sunil Kumar Goyal



Shri Sanjay Gupta



Shri Parveen Goyal



Dr. Rajesh Prasad



Shri Dipankar Mahapatra



Shri S. Rajaguru



Shri Raman Grover



Shri Sumesh Kumar



Shri Deepak Kumar Srivastava



Smt. Mousumi Majumdar



Shri Sanjeev Kumar Dhupar



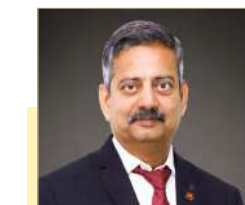
Shri Manish Agrawal



Shri Sudhir Dalal



Shri Surindar Pal Singh



Shri Mrityunjay

Brief profiles of the Directors

Shri Ashok Chandra Managing Director & CEO

Shri Ashok Chandra joined the Bank as its MD & CEO on 16th January 2025 from Canara Bank where he was working as Executive Director. In a career spanning over three decades Shri Chandra has managed almost all facets of banking - Digital Banking and Information Technology, Strategy and Planning, Marketing and Public Relations, Financial Inclusion, MSME, Retail Asset, Agriculture and Priority Sector, Gold Loan, Liability Management, Recovery, Legal and Stressed Asset Management and Head of Representative Office, Dubai to mention a few. He started his career with erstwhile Corporation Bank and went on to become Chief General Manager of Union Bank of India post merger of Corporation Bank with Union Bank of India.

He is the chairperson of the IBA standing committee on Payment Systems and Banking Technology, member of the IBA standing committee for HR & IR and on the Board of Oriental Insurance Company Ltd., PNB International Ltd., and member of the governing bodies of NIBM, MDI Society Gurgaon and the Governing Council of Indian Institute of Banking and Finance.

Shri Chandra is Master's in Economics, a Certified Associate of Indian Institute of Bankers and was selected to be a part of the Leadership Development Programme curated by the erstwhile Banks Board Bureau and conducted by IIM, Bangalore.



Shri M. Paramasivam
Executive Director

Shri M. Paramasivam joined the Bank as an Executive Director on 1st December 2022. He is presently the domain Executive Director overseeing Corporate Credit, RAM (Retail, Agriculture, MSME and Mid-Corporate) Credit, Treasury & International Banking, and Financial Inclusion.

Shri Paramasivam started his career with Canara Bank as an Agricultural Extension Officer in 1990 and has worked in various leadership capacities across large branches, regional offices, circle offices, and the Priority Credit Wing at Head Office over the past 32 years. His expertise encompasses the entire gamut of banking, including Credit, Priority Sector, Forex & Trade Finance, Compliance, and Branch Banking.

Shri Paramasivam, an agriculture graduate, was a part of the Leadership Development Programme conducted by IIM - Bangalore.

Shri Bibhu Prasad Mahapatra joined Punjab National Bank as a Management Trainee in the year 1989 and worked his way up the ranks over three and half decades to become its Executive Director on October 09, 2023. An authentic witness to PNB's ups and downs over last 36 years, Shri Mahapatra brings on the table a trove of knowledge mingled with rich experience in multiple domains of banking - Credit and MSME, Forex and Trade Finance, Branch Banking, Business Process, Compliance, among others.

In his present assignment he is the domain head of Business Acquisition & Relationship Management, Operations, Credit Review & Monitoring, Legal and Stressed Asset Management, Government Business, Public Relations, Credit Card, and Finance & Accounts.

He is a post graduate in Political Science, CAIIB and a part of the Leadership Development Programme conducted by IIM - Bangalore.



Shri Bibhu Prasad Mahapatra
Executive Director



Shri D. Surendran
Executive Director

Shri D. Surendran began his career in 1990 as an Agriculture Extension Officer in Canara Bank and worked in various leadership capacities in Retail & MSME Credit, Priority Credit, Recovery, branch banking, as General Manager of Karnataka Gramin Bank, Head of HR at the Head Office until he assumed the charge of Executive Director in PNB in March'25.

In his present assignment he is the domain ED for Information Technology, Digital Banking Transformation, Business Process Reengineering, Strategic Management & Economic Research Advisory, Branch Expansion, Analytic Centre of Excellence, Human Resources, Centralised Payment & Procurement, and Board & Coordination Division.

Shri Surendran is a Post Graduate in Agriculture, CAIIB and a part of the Leadership Development Programme conducted by IIM - Bangalore.



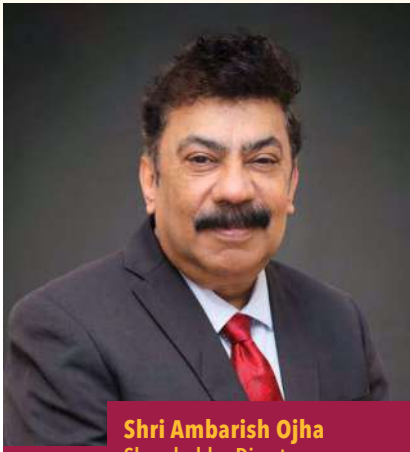
Shri Amit Kumar Srivastava
Executive Director

Shri Amit Kumar Srivastava started his journey in the Banking Industry in 1994 in erstwhile Oriental Bank of Commerce, became a part of the PNB-Parivar upon amalgamation of Oriental Bank of Commerce with PNB and continued as Executive Director upon his elevation in November 2025.

With in-depth knowledge of a wide array of subjects and multi-dimensional experience, Shri Srivastava accomplished various roles in Treasury Management, Risk Management, Credit Review & Monitoring, Zonal Manager, branch banking, and of Group Chief Risk Officer with distinction.

He is presently the domain ED for Integrated Risk Management, Fraud Risk Management, Transaction Monitoring, Cyber & Information Security, Inspection & Audit, Compliance, Rajbhasha and General Services & Administration.

An alumnus of BHU, Shri Srivastava holds a Master's degree in Science, a PG Diploma in Treasury & Forex Management from ICFAI, qualified globally recognised certification on Sustainability and Climate Risk (SCR) from GARP (USA) and is a Professional Risk Manager and Risk in Financial Services.



Shri Ambarish Ojha
Shareholder Director

Shri Ojha is a Bachelor of Engineering in Electronics and Communication from IIT Roorkee (erstwhile University of Roorkee) and has specialised knowledge and experience in Information Technology, Risk Management, Payment & Settlement Systems and Business Management.

He has 35 years of experience and has worked in various Multinationals at Senior Executive positions.

He has experience in IT infrastructure, Networking and Security, Enterprise Resource Planning, Supply Chain Management, Buy-now Pay-later Supply Chain Financing and Loan Management and KYC Modern tools including credit scoring.

Shri. D. Anandan is an Indian Administrative Service (IAS) Officer of 2000 Batch belonging to Sikkim Cadre, currently serving as Additional Secretary, Department of Expenditure, Ministry of Finance, Government of India.

Prior to his present assignment, Shri D. Anandan has held important positions in Government of Sikkim, heading Departments such as Rural Development Department, Health & Family Welfare Department, Commerce and Industries Department, etc. and served as Chief Electoral Officer, Sikkim under the Election Commission of India. He was also posted as Joint Development Commissioner, Special Economic Zones, Tamil Nadu and as Chairman and Executive Director of Rubber Board of India under the Department of Commerce, Government of India.

Shri D. Anandan is an IAS, M. Com and a qualified Cost and Management Accountant.



Shri D. Anandan
IAS, Govt. of India Nominee Director

Smt. Bhagavatula is a B. Com, Chartered Accountant (FCA) and holds a Diploma in Information Systems Audit (DISA). She has knowledge and experience in accountancy, banking, finance, audit, risk and IT.

She has 25 years of professional experience during which she was in independent practice, worked with HDFC Bank Ltd. and was independent woman director on the Board of Shakti Pumps (India) Limited. She is an Honorary Advisor to Dr. S. Natarajan's - Sundaram Natarajan Blind Free India Foundation.



Smt. Vandana Bhagavatula
Shareholder Director



Dr. Uma Sankar
RBI Nominee Director

Dr. Uma Sankar, Regional Director of Tamil Nadu and Puducherry, joined the Reserve Bank of India in 1993. She has extensive experience in supervision of Banks & NBFCs, Urban Co-operative Banks, training and capacity building, currency management, financial literacy and, as Banking Ombudsman.

Dr. Sankar holds a Master's Degree in Business Economics and a Bachelor's degree in Commerce from Delhi University and pursued M.Sc. in Management, Organisations and Governance from London School of Economics and Political Science, UK. She is a CAIIB Associate.

She completed the FSIB's Directors Development Programme conducted by "Egon Zehnder and Harvard Business Publishing" and certification in IT & Cyber Security for Board Members by IDRBT. She was awarded a Doctorate Degree from ICFAI University, for her thesis on 'Urban Cooperative Banks - A 360-Degree View of IT Risk Management, Cybersecurity Management and Current Regulatory Framework.

BOARD OF DIRECTORS

SITTING LEFT TO RIGHT

Dr. Uma Sankar

Shri Ashok Chandra

Smt. Vandana Bhagavatula

STANDING LEFT TO RIGHT

Shri Amit Kumar Srivastava

Shri M. Paramasivam

Shri Ambarish Ojha

Shri Bibhu Prasad Mahapatra

Shri D. Anandan

Shri D. Surendran



CHIEF GENERAL MANAGERS

STANDING LEFT TO RIGHT

Smt. Mousumi Majumdar

Shri Firoz Hasnain

Shri Vishesh Kumar Srivastava

Shri Sumesh Kumar

Shri Sunil Kumar Goyal

Shri S. Rajaguru

Shri Dipankar Mahapatra

Shri Deepak Kumar Srivastava

Shri Sanjeevan Nikhar

Shri Binay Kumar Gupta

Shri Sanjay Gupta

Shri Parveen Goyal

Dr. Rajesh Prasad

Shri Raman Grover

Shri Manish Agrawal

Shri Sudhir Dalal

Shri Surindar Pal Singh

Shri Mrityunjay

Shri Sanjeev Kumar Dhupar



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AUDITORS

Ummed Jain & Co.

N K Bhargava & Co.

Prem Gupta & Co.

P A & Associates

REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENT

Beetal Financial & Computer Services (P) Limited
'Beetal House', 3rd Floor, 99, Madangir, Behind
Local Shopping Centre, New Delhi 110062
Tel. No. 011-29961281/82/83,
E-mail: beetalrta@gmail.com

Collaborating
to build a
Viksit Bharat

NOTICE



**NOTICE OF
THE 25TH ANNUAL GENERAL MEETING**
IMPORTANT DATES

Date and time of 25 th Annual General Meeting (AGM)	Saturday, 20 th June, 2026 at 11.00 a.m. (IST) through VC/OAVM
Cut-off date for determining the shareholders eligible to vote on the Agenda Items of the AGM	Saturday, 13 th June, 2026
Record Date for Dividend	Saturday, 13 th June, 2026
Book Closure Date	Sunday, 14 th June, 2026 to Saturday, 20 th June, 2026 (both days inclusive)
Period of Remote E-Voting	From 09.00 a.m. (IST) on Wednesday, 17 th June, 2026 to 05.00 p.m. (IST) on Friday, 19 th June, 2026
Dividend Payment Date	Within 30 days from the date of declaration

NOTICE

NOTICE IS HEREBY GIVEN that the 25th Annual General Meeting of the Shareholders of Punjab National Bank (hereinafter referred to as “Bank”) will be held on **Saturday, 20th June, 2026 at 11.00 A.M. (IST) through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)** to transact the following business:

ORDINARY BUSINESS

Item No. 1: To discuss, approve and adopt the Audited Balance Sheet of the Bank as at 31st March 2026, Profit and Loss Account of the Bank for the year ended 31st March 2026, the Report of the Board of Directors on the workings of the Bank for the period covered by the Accounts and the Auditor’s Report on the aforesaid Balance Sheet and Accounts.

Item No. 2: To declare final dividend at the rate of ₹3/- per equity share of Face Value of ₹2/- each for the financial year 2025-26.

SPECIAL BUSINESS

Item No. 3: To consider and approve the Material Related Party Transactions for Outright securities transactions (sale-purchase of securities), Money Market transactions, Primary subscription of securities, Security Arranger services to PNB NCD issues and such other transactions disclosed in the notes forming part of the Financial Statements for the relevant Financial Year with PNB Gilts Limited (Subsidiary).

To consider and if thought fit, to pass the following as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI Listing Regulations”) read with SEBI Master Circular dated 30th January, 2026 and such other applicable provisions of law, if any, as amended from time to time (hereinafter referred to as “Applicable Laws”), the Bank’s Policy on Related Party Transactions and in accordance with the recommendation of the Audit Committee and the Board of Directors, the **omnibus approval** of the Shareholders of the Bank be and is hereby **accorded** to the Board of Directors of the Bank (hereinafter referred to as “Board”, which term shall be deemed to include the Audit Committee of Board or any Committee duly constituted by the Board, to exercise its powers conferred under this resolution), for entering into and/or carrying out and/or continuing with contracts or arrangements or transactions (whether individual transaction or transactions taken together or a series of transactions or otherwise) for outright securities transactions (sale-purchase of securities), money market transactions, primary subscription of securities, security arranger services to PNB NCD issuances and such other transactions as disclosed in the notes forming part of the Financial Statements for the relevant Financial Year with PNB Gilts Limited (subsidiary), from the ensuing 25th Annual General Meeting till the 26th Annual General Meeting to be held in calendar year 2027, in the ordinary course of business and on arm’s length basis, for an amount in excess

of the materiality threshold of ₹3,000 Crores + 2.5% of the Annual Consolidated total Income of Bank above ₹40,000 Crores or ₹5,000 Crores, whichever is lower, as per the Annual Consolidated Total Income of the Bank, not exceeding ₹10,000 Crores, as specified in the Explanatory Statement annexed to the Notice."

"RESOLVED FURTHER THAT the Board be and is hereby **authorised** to sign and execute all necessary documents, contracts, deeds, agreements and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the shareholders to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby **authorised** to delegate all or any of the powers herein conferred on it, to the Managing Director & CEO or Executive Director(s) or Committee of Executives or any Officer(s) of the Bank, as it may deem fit, to give effect to the aforesaid Resolution."

Item No. 4: To consider and approve the Material Related Party Transactions for Loans and Advances with PNB Housing Finance Ltd. (Associate)

To consider and if thought fit, to pass the following as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") read with SEBI Master Circular dated 30th January, 2026 and such other applicable provisions of law, if any, as amended from time to time (hereinafter referred to as "Applicable Laws"), the Bank's Policy on Related

Party Transactions and in accordance with the recommendation of the Audit Committee and the Board of Directors, the **omnibus approval** of the Shareholders of the Bank be and is hereby **accorded** to the Board of Directors of the Bank (hereinafter referred to as "Board", which term shall be deemed to include the Audit Committee of Board or any Committee duly constituted by the Board, to exercise its powers conferred under this resolution), for entering into and/or carrying out and/or continuing with contracts or arrangements or transactions (whether individual transaction or transactions taken together or a series of transactions or otherwise) of granting of Loans and Advances such as Term Loans, Line of Credit, Overdraft, etc., to PNB Housing Finance Limited (PNBHFL) from the ensuing 25th Annual General Meeting till the 26th Annual General Meeting to be held in calendar year 2027, in the ordinary course of business and on arm's length basis, for an amount in excess of the materiality threshold of ₹3,000 Crores + 2.5% of the Annual Consolidated total Income of Bank above ₹40,000 Crores or ₹5,000 Crores, whichever is lower, as per the Annual Consolidated total Income of the Bank, not exceeding ₹7,100 Crores, as specified in the Explanatory Statement annexed to the Notice."

"RESOLVED FURTHER THAT the Board be and is hereby **authorised** to sign and execute all necessary documents, contracts, deeds, agreements and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the shareholders to the end and intent that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby **authorised** to delegate all or any of the powers herein conferred on it, to

the Managing Director & CEO or Executive Director(s) or Committee of Executives or any Officer(s) of the Bank, as it may deem fit, to give effect to the aforesaid Resolution."

Item No. 5: To consider and approve the appointment of Shri D. Anandan as Govt. of India Nominee Director of the Bank.

To consider and if thought fit, to pass the following as Ordinary Resolution:

"RESOLVED THAT pursuant to the First Proviso to Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with clause (b) of sub-section (3) of Section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the appointment of Shri D. Anandan vide Notification no. eF.No. 6/2(iii)/2022-BO.I dated 24th July, 2025 by the Department of Financial Services, Ministry of Finance, Government of India as the Govt. of India Nominee Director of the Bank with effect from 24th July, 2025 till further orders, on the terms and conditions as determined by the Government of India, be and is hereby **approved**."

Item No. 6: To consider and approve the extension of Shri M. Paramasivam as Executive Director of the Bank.

To consider and if thought fit, to pass the following as Ordinary Resolution:

"RESOLVED THAT pursuant to the First Proviso to Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with clause (a) of sub-section(3) of Section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the extension of Shri M. Paramasivam vide Notification no. eF.No.4/4(vi)/2024-BO.I dated 15th September, 2025 by the Department of Financial Services, Ministry of Finance, Government of India as the Executive

Director of the Bank, from the end of his notified term on 30th November, 2025 till the date of his superannuation i.e. 31st March, 2027, or until further orders, whichever is earlier, on the terms and conditions as determined by the Government of India, be and is hereby **approved**."

Item No. 7: To consider and approve the appointment of Shri Amit Kumar Srivastava as Executive Director of the Bank.

To consider and if thought fit, to pass the following as Ordinary Resolution:

"RESOLVED THAT pursuant to the First Proviso to Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with clause (a) of sub-section (3) of Section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the appointment of Shri Amit Kumar Srivastava vide Notification no. eF.No. 4/4(i)/2024-BO.I dated 24th November, 2025 by the Department of Financial Services, Ministry of Finance, Government of India as the Executive Director of the Bank with effect from the date of assumption of charge i.e. 24th November, 2025 for three years i.e. 23rd November, 2028 or until further orders, whichever is earlier, on the terms and conditions as determined by the Government of India, be and is hereby **approved**."

By order of the Board of Directors
For Punjab National Bank

(Bikramjit Shom)
Company Secretary
Membership No. F6517
Place: New Delhi
Date: May 27, 2026

NOTES:**1. Annual General Meeting through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)**

The Ministry of Corporate Affairs (MCA), has vide Circular dated 22nd September, 2025 read with its preceding Circulars issued in May, 2020 & May, 2022, December, 2022, September, 2023 and September, 2024 permitted the companies/ listed entities, to conduct their AGMs through VC or OAVM until further orders, in accordance with the framework provided in the MCA Circular(s).

In accordance with the aforesaid Guidelines and the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 & the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 25th Annual General Meeting (AGM) of the Bank is being conducted through VC/ OAVM without the requirement of physical presence of shareholders at a common venue. The shareholders attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Regulation 58 of Punjab National Bank (Shares & Meetings) Regulations, 2000. The deemed venue for the 25th AGM shall be the Head Office of the Bank.

The facility for participation in the AGM through VC/OAVM, voting through remote e-voting and e-voting during the AGM, will be provided by National Securities Depository Limited (NSDL).

Shareholders may join the AGM through VC/OAVM facility which shall be kept open for the shareholders on 20th June, 2026 from 10:30 a.m. (IST) i.e., 30 minutes before the time scheduled to start the AGM. The Bank/NSDL may close the window for joining the VC/OAVM facility 30 minutes after the scheduled start time.

Shareholders may please note that the VC/OAVM facility, provided by NSDL, allows participation of at least 1,000 shareholders on a 'first-come, first-serve' basis. The shareholders holding 2% or more of the share capital of the Bank, Promoter, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., can attend the AGM without any restriction.

2. The relevant Explanatory Statements setting out material facts in respect of Item Nos. 3 to 7 as set out in this Notice are annexed hereto.**3. Appointment of Proxy**

A shareholder entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote instead of himself/herself and such a proxy need not be a shareholder of the Bank. Pursuant to regulation 44(4) of SEBI (LODR) Regulations, 2015, as amended, the requirement to send proxy forms shall not be applicable to general meetings held only through electronic mode. Accordingly, the facility for appointment of proxies by shareholders will not be available for the AGM and consequently, the instrument for appointing proxy and attendance slip are not being attached to the Notice.

4. Appointment of an Authorised Representative:

No person shall be entitled to attend the AGM through VC/OAVM and/or vote through e-voting as duly authorized representative of a body corporate, unless a certified true copy of the resolution appointing him/her as a duly authorized representative, shall have been deposited

to the Share Department, Punjab National Bank, West Wing, Fifth Floor, Plot No.4, Sector 10, Dwarka, New Delhi 110075 or is sent to the Scrutinizer by e-mail to mail@csraginichokshi.com with a copy marked to evoting@nsdl.com and hosd@pnb.bank.in, not less than three days before the date of the meeting i.e. on or before the closing hours i.e. 5.00 p.m. (IST) of Tuesday, 16th June, 2026.

No officer or employee of the Bank shall be appointed as Authorised Representative of a shareholder.

5. Payment of Dividend:

The Board of Directors has recommended a final dividend of ₹3/- per equity share of ₹2/- each for the financial year ended 31st March, 2026.

The payment of dividend, if declared by the shareholders at the 25th Annual General Meeting, will be made to those shareholders whose names appear:

- as Beneficial Owners as at the close of business hours on Saturday, 13th June, 2026 as per the record of NSDL/ CDSL in respect of the shares held in electronic form and / or
- in the Register of shareholders as on Saturday, 13th June, 2026 after giving effect to the valid transmission requests received from the shareholders and legal heirs of deceased shareholders holding shares in physical form.

The Record Date for entitlement to the Final Dividend will be Saturday, 13th June, 2026.

The dividend shall be paid within 30 days from the date of declaration.

Shareholders are therefore requested to register/update their complete bank details:

- with the Depository Participant(s)

with which they maintain their demat accounts, if shares are held in dematerialised mode, by submitting forms and documents as may be required by the Depository Participant(s); and

- with the Bank/Bank's Registrar to an Issue and Share Transfer Agent (RTA) by sending duly filled KYC form - ISR-1, ISR-2, ISR-3/SH-13 along with the self-attested copy of PAN card, photo id bearing proof of address and a cancelled cheque leaf, if shares are held in physical mode.

Pursuant to Regulation 12 of SEBI (LODR) Regulations, 2015, the payment of dividend shall be made *only* in electronic mode to the shareholders having updated bank account details.

Important Information regarding Payment of Dividend in respect of physical shares:

SEBI vide its Master Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated 06th February, 2026 has issued inter alia, guidelines on 'Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination'. Para 20.1 of the Master Circular mandates all the holders of physical securities to furnish PAN, Contact details (Postal Address with PIN and Mobile Number), Bank A/c details and Specimen signature for their corresponding folio numbers. In continuation of the same, Para 20.2 lays down the procedure for availing services and payment of dividend etc., in the folios without PAN and KYC details which reads as under:

20.2. Folios without PAN and KYC details: The security holder(s) whose folio(s) do not have PAN, Contact Details, Bank Account Details and Specimen Signature updated, shall be eligible:

- to lodge grievance or avail any service request from the RTA only after furnishing PAN and KYC details.

- b) for any payment including dividend, interest or redemption payment in respect of such folios, only through electronic mode with effect from 1st April, 2024. An intimation shall be sent by the Listed Company to the security holder that such payment is due and shall be made electronically only upon complying with the requirements stated in Para 20.1 of this Master Circular.”

In view of the above, if you are holding shares in physical form, you are required to furnish valid PAN, Contact Details, Bank Account Details and updated Specimen Signature immediately to the Bank’s RTA in the prescribed forms (available on the Bank’s website: www.pnb.bank.in under the link: <https://pnb.bank.in/Important-Announcement-to-Physical-Shareholders.html>, if not already done, to avail uninterrupted service requests as well as credit of dividend in bank account, as no dividend will be paid by way of issuance of physical warrant. For your convenience, you may also dematerialise the physical holding to avail the benefit of electronic dividend payment.

Tax Deductible at Source:

As per the Income-tax Act, 1961 (the Act), as amended by the Finance Act, 2020, dividend paid or distributed by the Bank after 1st April, 2020 shall be taxable in the hands of the Shareholders. The Bank shall therefore be required to deduct tax at source (TDS) at the prescribed rates, wherever applicable, at the time of making the payment of dividend to the shareholders. For details, shareholders may refer to the Annexure appended to this Notice.

6. Voting Rights

In terms of provisions of Section 3(2E) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (as amended), no shareholder of the Bank other than the Central Government shall be entitled to exercise voting rights in respect of the shares held by him in

excess of 10% of the total voting rights of all the shareholders of the Bank. If any share stands in the name of two or more persons, the person first named in the register shall, as regards voting, be deemed to be the sole holder thereof.

In terms of Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the shareholders entitled to attend and vote at the meeting, can exercise their voting rights through electronic means.

7. Voting through Electronic Means

- i. Pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions under Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, read with MCA Circulars, the Bank will provide for its shareholders with the facility to exercise their right to vote in respect of the business to be transacted at the AGM, by electronic means (remote e-voting and e-voting during the course of the AGM) through the e-voting platform provided by National Securities Depository Limited (NSDL). **The cut-off date for reckoning the eligibility of shareholders to cast vote through e-voting is Saturday, 13th June, 2026.**

ii. E-voting during the AGM:

Those shareholders, present at the AGM through VC/OAVM, not having cast their vote on the resolution(s) through remote e-voting, shall be eligible to vote through e-voting system during the course of the AGM.

The shareholders who have cast their vote by remote e-voting prior to the AGM may also attend the meeting through VC/OAVM but shall not be entitled to cast their vote again.

iii. The instructions for remote e-voting:

- a. The remote e-voting period begins at 09.00 a.m. (IST) on Wednesday, 17th June, 2026 and ends at 05.00 p.m. (IST) on Friday, 19th June, 2026. During this period, shareholders of the Bank holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Saturday, 13th June, 2026 may cast their vote electronically. Thereafter, the remote e-voting module shall be disabled by NSDL.
- b. The details of the process and manner for remote e-voting are explained: The electronic voting on NSDL system consists of two steps:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining the virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on ‘e-Voting facility provided by Listed Companies’, individual shareholders holding securities in dematerialized form are allowed to vote through their demat account maintained with Depository Participants.

Shareholders are advised to update their mobile numbers and email Ids in their demat accounts in order to access the e-Voting facility.

The login method for individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client ID, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Bank's name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Bank name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of Shareholders	Login Method
	4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Bank name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password.

Type of Shareholders	Login Method
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Bank's name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Shareholders who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at above-mentioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Steps to Log-in to NSDL e-Voting website

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Bank. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password', and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the Bank, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open

the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are **not registered**.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join the AGM on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in 'active' status.
2. Select "EVEN" of Punjab National Bank for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining the AGM virtually, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. ***Once you confirm your vote on the resolution, you will not be allowed to modify your vote.***

General Guidelines for shareholders

- I. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mail@csraginichokshi.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other

than individuals, HUF, NRI etc.) can also upload their Board Resolution/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

- II. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- III. In case of any queries, shareholders may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or call on.: 022-48867000 or send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Ltd., 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051 at the designated email address: evoting@nsdl.com or at telephone no. 022- 48867000.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this Notice:

- I. In case shares are held in physical mode, please provide folio no., name of shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card and AADHAR card by email to the Bank's RTA at beetalrta@gmail.com.
- II. In case shares are held in demat mode, please provide DPID-CLID (16 digit

DPID+CLID or 16 digit Beneficiary ID), name, client master or copy of consolidated account statement, self-attested scanned copy of PAN card and AADHAR Card to the Bank's RTA at beetalrta@gmail.com. If you are an Individual shareholder, holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A) i.e. "Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode"**.

- III. Alternatively, shareholders may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing the above-mentioned documents.
- IV. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Instructions for shareholders for E-Voting on the day of AGM are as under:

- I. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.
- II. Only those shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolution(s) through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- III. Shareholders who have voted through remote e-voting will be eligible to attend the AGM, however, they will not be eligible to vote at the AGM.

- IV. The details of the persons who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same as mentioned for remote e-voting.

Instructions for shareholders for attending the AGM through VC/OAVM are as under:

- I. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Shareholders may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join Meeting"** menu against the name of the Bank. You are requested to click on VC/OAVM link placed under 'Join Meeting' menu. The link for VC/OAVM will be available in 'Shareholder/Member login' where the EVEN of Bank will be displayed. Please note that the Shareholders who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.
- II. Shareholders are encouraged to join the Meeting through Laptops for better experience.
- III. Further, shareholders should have internet with a good speed to avoid any disturbance during the meeting. Please note that the participants connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- IV. **Speaker Registration**
Shareholders, who would like to express their views/ask questions during the AGM with regard to the business to be transacted at the AGM, need to register themselves as

a 'Speaker'. For this, shareholders holding shares as on the cut-off date should fill the online Form available at the following link: <https://vcnow.live/portal/event/pnb-speaker-registration>. The registration window shall remain open from 10.00 a.m. (IST) on Wednesday 10th June, 2026 till 5:00 p.m. (IST) on Monday, 15th June, 2026, and disabled thereafter.

Only those shareholders who have registered by filling up the above-mentioned online Form will be considered as speakers.

Please note that requests for speaker registration in any other mode or form (including email or letter communication) will not be entertained or considered.

V. **Submission of queries prior to the AGM**

Shareholders desiring any additional information with regard to the Annual Accounts/ Annual Reports or has any query in relation to items of businesses as set out in the Notice of the AGM, are requested to send their queries through email/letter to the Bank/RTA, which shall be addressed during the meeting or suitably replied by the Bank, after the AGM.

- VI. Institutional Investors, who are shareholders of the Bank, are requested to be present in the AGM through VC/OAVM Facility.

8. Scrutinizer

M/s Ragini Chokshi & Co., Company Secretaries, has been appointed as the Scrutinizer by the Bank to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall submit a consolidated Scrutinizer's Report on the total votes cast to the Chairman of the Meeting within two working days of conclusion of the AGM and thereafter, the Bank shall declare the result of voting forthwith by placing the Results along with the Scrutinizer's Report

on the website of Stock Exchanges, NSDL and the Bank.

9. Unclaimed Dividend

Shareholders are hereby informed that if any dividend amount remains unpaid/unclaimed for 7 years from its due date, the said unpaid/unclaimed amount shall have to be transferred to the 'Investor Education & Protection Fund' (IEPF), pursuant to Section 10B of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. The unpaid/unclaimed amount of Dividend upto FY 2015-16 has already been transferred to IEPF.

Pursuant to the amendments dated 1st August 2025 to Section 10B of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, read with Section 124 of the Companies Act, 2013 ("the Act") and the amended provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), it is hereby mandated that all shares—whether held in physical or dematerialized form—in respect of which dividend has not been paid or claimed for seven consecutive years or more, shall be transferred to the Investor Education and Protection Fund (IEPF).

The Bank issued letter on 13th November, 2025 to the identified shareholders whose shares were due for transfer to IEPF. This was followed by public notice published in Jansatta (Hindi) and Financial Express (English) on 14th November, 2025. Intimation regarding the proposed transfer of shares was disseminated to the Stock Exchanges on 17th November, 2025.

Additionally, the details of newspaper publications, together with particulars of the shareholders including the number of shares and folio numbers, were published on the Bank's corporate website for public reference.

Pursuant to the said amendment, corporate action for transfer of shares to demat account of IEPF authority was completed on 19.03.2026.

List of Shareholders whose shares were transferred to IEPF and the year-wise data of unpaid/unclaimed dividend lying with the Bank are available on the Bank's website <https://pnb.bank.in/dividends.html>.

The shareholders who have not received/claimed the dividend(s) for FY22, FY23, FY24 and FY25 are requested to do the same at the earliest to avoid transfer of unpaid dividend and share to IEPF.

10. Other Information

- a) Pursuant to the MCA General Circular No. 03/2025 dated 22nd September, 2025 read with its preceding Circulars, the Annual Report for the FY26 containing the Notice of the 25th Annual General Meeting (AGM) of the Bank, inter alia, indicating the process and manner of e-voting etc. is being sent only in electronic form and mode to all the shareholders whose email IDs are registered with the Bank's RTA/ Depository Participant(s).
- b) Shareholders may also note that the Annual Report for the FY26 inter alia containing the Notice of AGM is also being made available on the Bank's website www.pnb.bank.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL i.e. www.evoting.nsdl.com
- c) In harmony with the 'Green Initiatives' adopted by the Bank, shareholders holding shares in physical form are requested to get their email ids registered with the Bank's RTA/ Depository Participants for shares

held in physical/dematerialized form respectively.

- d) In case of changes, if any, in the name, postal address, email address, telephone/mobile number, Permanent Account Number (PAN), mandates, nominations, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., the shareholders may get the same updated with the Bank's RTA/Depository Participants for shares held in physical/dematerialized form respectively.
- e) Shareholders who hold shares in physical form in multiple folios of identical names or in joint names in the same order are requested to send their share certificates to the Bank's RTA for consolidation into a single folio.
- f) **Dematerialization of Physical Holdings:** As per Regulation 40 of SEBI Listing Regulations, as amended, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. Accordingly, with a view to avail the benefits of dematerialization and to eliminate all risks associated with physical shares, Shareholders are requested to dematerialise the shares held by them in physical form. Shareholders can contact the Share Department of the Bank or Bank's RTA for assistance in this regard.
- g) The process of dematerialisation of shares is available on the Bank's website i.e. www.pnb.bank.in under 'Investor Info'.

EXPLANATORY STATEMENT:

• **Item No.3:**

In terms of Regulation 23(4) of SEBI Listing Regulations, all material related party transactions require prior approval of shareholders by way of an ordinary resolution, even if the same are at an arm's length basis and in the ordinary course of business. A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds the following:

Annual Consolidated Total Income of Bank	Threshold
(I) Up to ₹20,000 Crores	10% of the annual consolidated Total Income of Bank
(II) More than ₹20,000 Crores to upto ₹40,000 Crores	₹2,000 Crores + 5% of the annual consolidated Total Income of Bank above ₹20,000 Crores
(III) More than ₹40,000 Crores	₹3,000 Crores + 2.5% of the annual consolidated Total Income of Bank above ₹40,000 Crores or ₹5,000 Crores, whichever is lower.

In view of the above, approval of the Shareholders is sought for the following proposed Material Related Party Transactions:

Particulars	Details of Transactions
Basic details of the related party	
Name of Related Party	M/s PNB Gilts Limited
Country of incorporation of the related party	India
Nature of business of the related party	NBFC (NDSI) - Primary dealer in Govt. securities, Mutual Funds, etc.

Particulars	Details of Transactions		
Relationship and ownership of the related party			
Relationship between the Bank and the related party – including nature of its concern (financial or otherwise) and the following: a. Shareholding of the Bank in the related party. b. Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the Bank. c. Shareholding of the related party, whether direct or indirect, in the Bank.	Relationship – Subsidiary		
	Nature of concern is Financial with Bank holding equity as promoter		
	74.07 % as on 31.03.2026		
	Not Applicable as related party is a public limited company.		
	Not Applicable		
Details of previous transactions with the related party			
Total amount of all the transactions undertaken by the Bank with the related party during the last financial year.	Sr. No.	Nature of Transactions	FY 2025-26 (₹ Crores)
	1.	Security buy from PNB Gilts	4,406.92
	2.	Security sell to PNB Gilts	834.70

Particulars	Details of Transactions		
Total amount of all the transactions undertaken by the Bank with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Sr. No.	Nature of Transactions	FY 2025-26 (₹ Crores)*
	1.	Security buy from PNB Gilts	4,406.92
	2.	Security sell to PNB Gilts	834.70
	Updated upto Last financial year i.e 2025-26.		
Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	Not Applicable.		
Amount of the proposed transaction(s)			
Amount of the proposed transactions being placed for approval in the meeting of the shareholders.	₹ 10,000 Crores		

Particulars	Details of Transactions
Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
Value of the proposed transactions as a percentage of the Bank's annual consolidated income for the immediately preceding financial year.	6.69% Bank's annual turnover (consolidated as on 31.03.2026): ₹ 1,49,463.30 Crores.
Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the Bank is not a party to the transaction)	Not Applicable.

Particulars	Details of Transactions	
Value of the proposed transactions as a percentage of the related party's annual consolidated turnover	1.01%	
Financial performance of the related party for the immediately preceding financial year.	Particulars	FY 2025-26 (₹ Crores)
	Turnover	9,90,632.17
	Profit After Tax	181.61
	Net worth	1,696.44
Basic details of the proposed transaction		
Specific type of the proposed transaction	The proposed transaction covers outright securities transactions (sale / purchase).	
Details of each type of the proposed transaction	Outright securities transactions (sale / purchase of securities), Money Market transactions, Primary subscription of securities, Security Arranger services to PNBs, NCD issues and such other transactions as may be disclosed in the notes forming part of the Financial Statements for the relevant Financial Year.	
Tenure of the proposed transaction (tenure in number of years or months to be specified)	From the date of the 25 th AGM till the date of next AGM for a period not exceeding fifteen months	
Whether omnibus approval is being sought?	Yes	

Particulars	Details of Transactions
Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	₹ 10,000.00 Crores The proposed transaction will be carried out from the date of the 25 th AGM until the next AGM, for a period not exceeding fifteen months. A year -wise volume cannot be estimated since the transactions are opportunity based and involves outright purchase and sale of securities and is dependent on prevailing market conditions.
Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The Bank is engaged in purchase/sale of securities (issued by Government of India, State Governments, PSUs, Corporates etc.) during its normal course of business, to optimise profits from trading/investment portfolio by taking advantage of market opportunities and the transaction is therefore, in the interest of the Bank. Further, PNB Gilts is one of the major players in Debt Market and is a primary dealer. The transactions shall be carried out are Market driven, so that PNB does not miss out on a market opportunity. Further, the transactions are in furtherance of banking business of the Bank and are undertaken in accordance with laid down norms, policies and procedures and therefore, in the interest of the Bank.
Details of the promoter(s)/ director(s) / key managerial personnel of the Bank who have interest in the transaction, whether directly or indirectly.	Nil
a. Name of the director / KMP	Not Applicable

Particulars	Details of Transactions
b. Shareholding of the director /KMP, whether direct or indirect, in the related party	Not Applicable
A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT.	The Bank is engaged in purchase/sale of securities (issued by Government of India, State Governments, PSUs, Corporates etc.) during its normal course of business, to optimise profits from trading/investment portfolio by taking advantage of market opportunities and the transaction is therefore, in the interest of the Bank. Further, PNB Gilts is one of the major players in Debt Market and is a primary dealer. The transactions shall be carried out at Market rates, so that PNB does not miss out on a market opportunity. The transactions will be undertaken at prevailing market rates, on an arm's length basis, in the ordinary course of the Bank's business. They will be carried out in line with the Bank's Policy and applicable regulatory guidelines, with all other material terms also governed by the Bank's Policy.

The value of the proposed transactions between the Bank on one side and PNB Gilts Limited on the other, is going to be more than ₹5,000 Crores [i.e. above the threshold of 'material related party transactions']. The transactions will be executed with the Related Parties on an arm's length basis and in the ordinary course of business of the Bank.

None of the Directors, Key Managerial Personnel or their relatives, other than to the extent of their shareholding/directorships, if any, in the Bank and in any of the entities mentioned above, if any, are concerned/interested in the above resolution.

The Audit Committee of Board has reviewed the certificate provided by CFO and Whole Time Director confirming that the terms of proposed Related Party Transactions are in the interest of the Bank.

The Audit Committee of the Board has accorded approval to the aforesaid Material Related Party Transactions.

The Board has also recommended that the proposed material related party transactions placed at Item No. 3, be placed before the shareholders as an Ordinary Resolution at the AGM for seeking their approval.

The Shareholders may please note that, in terms of provisions of the SEBI Listing Regulations, no related party(ies) shall vote to approve the Ordinary Resolution for Item No. 3 of the Notice.

Item No.4:

In terms of Regulation 23(4) of SEBI Listing Regulations, all material related party transactions require prior approval of shareholders by way of an ordinary resolution, even if the same are at an arm's length basis and in the ordinary course of business. A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds the following:

Annual Consolidated Total Income of Bank	Threshold
(I) Up to ₹20,000 Crores	10% of the annual consolidated Total Income of Bank
(II) More than ₹20,000 Crores to upto ₹40,000 Crores	₹2,000 Crores + 5% of the annual consolidated Total Income of Bank above ₹20,000 Crores
(III) More than ₹40,000 Crores	₹3,000 Crores + 2.5% of the annual consolidated Total Income of Bank above ₹40,000 Crores or ₹5,000 Crores, whichever is lower.

In view of the above, approval of the Shareholders is sought for the following proposed Material Related Party Transactions:

Particulars	Details of Transactions
Basic details of the related party	
Name of Related Party	M/s PNB Housing Finance Limited
Country of incorporation of the related party	India
Nature of business of the related party	NBFC Housing Finance Company (Deposit taking)

Particulars	Details of Transactions		
Relationship and ownership of the related party			
Relationship between the Bank and the related party – including nature of its concern (financial or otherwise) and the following: a. Shareholding of the Bank in the related party. b. Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the Bank. c. Shareholding of the related party, whether direct or indirect, in the Bank.	Relationship – Associate		
	Nature of concern is Financial with Bank holding equity in related party		
	28.04% as on 31.03.2026		
	Not Applicable as related party is a public limited company.		
	Not Applicable		
Details of previous transactions with the related party			
Total amount of all the transactions undertaken by the Bank with the related party during the last financial year.	Sr. No.	Nature of Transactions	FY 2025-26 (₹ Crores)
	1.	Renewal of OD/ WCDL/FCL*	2,000.00
	2.	Term Loan (Fresh)	1,000.00
	Total		3,000.00
	*Overdraft / Working capital demand loan/ Flexible Credit Line		

Particulars	Details of Transactions		
Total amount of all the transactions undertaken by the Bank with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Sr. No.	Nature of Transactions	FY 2025-26 (₹ Crores) Up to 31.03.2026
	1.	Renewal of OD/ WCDL/FCL*	2,000.00
	2.	Term Loan (Fresh)	1,000.00
	*Overdraft / Working capital demand loan/ Flexible Credit Line		
Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	NIL		
Amount of the proposed transaction(s)			
Amount of the proposed transactions being placed for approval in the meeting of the shareholders.	₹ 7,100 Crores		

Particulars	Details of Transactions
Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
Value of the proposed transactions as a percentage of the Bank's annual consolidated income for the immediately preceding financial year.	4.75% Bank's annual turnover (consolidated as on 31.03.2026): ₹ 1,49,463.30 Crores.
Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the Bank is not a party to the transaction)	Not Applicable.

Particulars	Details of Transactions	
Value of the proposed transactions as a percentage of the related party's annual consolidated turnover FY 2025-2026	83.48%	
Financial performance of the related party for the immediately preceding financial year.	Particulars	FY 2025-26 (₹ Crores)
	Turnover	8,505.04
	Profit After Tax	2,291.24
	Net worth	19,219.13
Basic details of the proposed transaction		
Specific type of the proposed transaction	Loans and Advances sanctioned to HFC as part of its normal banking business.	
Details of each type of the proposed transaction	Facilities such as Overdraft, Working Capital Demand Loan, and Flexible Credit Line are extended to meet the operational requirements of PNB Housing Finance Ltd. In addition, Term Loans are provided by PNB for onward lending by PNB Housing Finance Ltd., in accordance with NHB and RBI guidelines.	
Tenure of the proposed transaction (tenure in number of years or months to be specified)	The proposed transaction will be carried out from the date of the 25 th AGM until the next AGM, for a period not exceeding fifteen months. Tenure of the proposed transaction shall be in accordance with sanctioned terms and as per requirement of PNB Housing Finance Ltd.	
Whether omnibus approval is being sought?	Yes	

Particulars	Details of Transactions
Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Amount up to Rs. 7,100 Crores Tenure of the credit facilities will be as per the terms of sanction accorded to the HFC.
Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	Advance given for onward lending by NBFC-HFC (PNBHFL) as permitted by NHB/RBI norms. The transactions are in furtherance of business of the Bank and are undertaken in accordance with laid down norms, policies and procedures and therefore, in the interest of the Bank.
Details of the promoter(s)/ director(s) / key managerial personnel of the Bank who have interest in the transaction, whether directly or indirectly.	Nil
a. Name of the director / KMP	Not Applicable
b. Shareholding of the director /KMP, whether direct or indirect, in the related party	Not Applicable
A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable

Particulars	Details of Transactions
Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	The interest rates shall be based on prevailing market rate or linked to external benchmark.
Maturity / due date	Repayment Schedule and maturity/due date shall be as per the terms agreed with the borrowers.
Repayment schedule & terms	
Whether secured or unsecured?	The applicable terms including, covenants, whether secured/ unsecured, nature of security etc. will be in accordance with the Bank's Policy/Regulatory Guidelines and as agreed to by the Bank and the borrowers. The transactions, shall be undertaken on an arm's length basis in the normal course of business of the Bank.
If secured, the nature of security & security coverage ratio	
The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	The PNBHFL is engaged in the financing of housing activities through direct lending as well as lending to institutions providing housing loan facilities. Company provides loans to individuals (resident as well as non-residents and to corporate bodies for their housing requirement). PNBHFL provides retail housing Loan for construction, purchase, repairs and up-gradation of houses/flats. PNBHFL also provides loan against property (LAP), loan for commercial property and loan for purchase of residential plots. In the wholesale segment PNBHFL provide construction finance to builders & developers and Lease Rental Discounting (LRD) and commercial term loans to corporate.
Latest credit rating of the related party	ICRA: AA+ (Stable) as on 27.11.2025 for Long term credit facilities & Non-convertible debentures (NCDs)

Particulars	Details of Transactions
Default on borrowings, if any, over the last three financial years, by the related party from the Bank or any other person and value of subsisting default. In addition, state the following: a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting; b) Whether the related party has been declared a "wilful defaulter" by any of its bankers and whether such status is currently subsisting; c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation;	NIL

Particulars	Details of Transactions
d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016.	NIL
Justification as to why the proposed transaction is in the interest of the listed entity, basis for determination of price and other material terms and conditions of RPT.	Advance given for onward lending by NBFC-HFC (PNBHFL) as permitted by NHB/RBI norms. The transactions are in furtherance of banking business of the Bank and are undertaken in accordance with laid down norms, policies and procedures and therefore, in the interest of the Bank and basis for determination of price shall be on arm's length basis in the normal course of business of the Bank. The terms and conditions of the proposed transactions shall be in accordance with the Bank's Policy/Regulatory Guidelines.

The value of the proposed transactions between the Bank on one side and PNB Housing Finance Limited on the other, is going to be more than ₹5,000 Crores [i.e. above the threshold of 'material related party transactions']. The transactions will be executed with the Related Parties on an arm's length basis and in the ordinary course of business of the Bank.

None of the Directors, Key Managerial Personnel or their relatives, other than to the extent of their shareholding/directorships, if any, in the Bank and in any of the entities mentioned above, if any, are concerned/interested in the above resolution.

The Audit Committee of Board has reviewed the certificate provided by CFO and Whole Time Director confirming that the terms of proposed Related Party Transactions are in the interest of the Bank.

The Audit Committee of the Board has accorded approval to the aforesaid Material Related Party Transactions.

The Board has also recommended that the proposed material related party transactions placed at Item No. 4, be placed before the shareholders as an Ordinary Resolution at the AGM for seeking their approval.

The Shareholders may please note that, in terms of provisions of the SEBI Listing Regulations, no related party(ies) shall vote to approve the Ordinary Resolution for Item No. 4 of the Notice.

• **Item No. 5:**

Shri D. Anandan, IAS, was appointed by the Government of India as the Government of India Nominee Director on the Board of the Bank under Section 9(3)(b) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, vide Government of India Notification no. no. eF.No. 6/2(iii)/2022-BO.I dated 24th July, 2025 with effect from 24th July, 2025 till further orders, succeeding Shri Pankaj Sharma, Joint Secretary, Government of India, Ministry of Finance, Department of Financial Services.

In terms of the First Proviso to Regulation 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of directors has to be approved at the meeting of shareholders of the Bank.

Therefore, the approval of shareholders is sought to the appointment of Shri D. Anandan as the Government of India Nominee Director of the Bank on the terms and conditions as determined by the Government of India.

The brief profile of Shri D. Anandan is as under:

Shri D. Anandan has been appointed as a Government of India Nominee Director on the Board of Punjab National Bank with effect from 24th July, 2025.

Shri. D. Anandan is an Indian Administrative Service (IAS) Officer of 2000 Batch belonging to Sikkim Cadre, currently serving as Additional Secretary, Department of Expenditure, Ministry of Finance, Government of India.

Prior to this assignment, Shri D. Anandan had held important positions in Government of Sikkim, heading Departments such as Rural Development Department, Health & Family Welfare Department, Commerce and Industries Department, etc. and served as Chief Electoral Officer, Sikkim under the Election Commission of India. He was also posted as Joint Development Commissioner, Special Economic Zones, Tamil Nadu and as Chairman and Executive Director of Rubber Board of India under the Department of Commerce, Government of India. He has vast experience in both Policy making and implementation of Government Schemes and Programmes.

Shri D. Anandan is a qualified Cost and Management Accountant and also holds a Masters degree in Commerce.

Other details in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- a. Shri D. Anandan possesses expertise and competence in the area of Finance and Public Administration.
- b. There is no inter-se relationship between Directors
- c. Directorship in other listed entities: Nil
- d. Name of listed entities in which Shri D. Anandan has ceased to be director in the past three years: Nil
- e. Shareholding in Punjab National Bank: Nil

The remuneration and other terms and conditions of appointment of Shri

D. Anandan are guided by the extant guidelines issued by Government of India.

Except Shri D. Anandan, none of the Directors, Key Managerial Persons of the Bank and their relatives is in any way, interested or concerned in the Resolution.

The Board has recommended that the proposal for his appointment, be placed before the shareholders as Ordinary Resolution at the AGM for seeking their approval.

• **Item No. 6:**

Shri M. Paramasivam was appointed by the Government of India as the Executive Director of the Bank under Section 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, vide Government of India Notification no. eF.No. 4/6/2021-BO.I dated 21st November, 2022 with effect from 01st December, 2022, for a period of three years or until further orders, whichever is earlier.

The term of Shri M. Paramasivam was extended by the Government of India vide Notification no. eF.No.4/4(vi)/2024-BO.I dated 15th September, 2025 as the Executive Director of the Bank, from the end of his notified term on 30th November, 2025 till the date of his superannuation i.e. 31st March, 2027, or until further orders, whichever is earlier.

In terms of the First Proviso to Regulation 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment/extension of Directors has to be approved at the next general meeting of shareholders of the Bank.

Therefore, the approval of shareholders is sought for the extension of Shri M. Paramasivam as Executive Director of the Bank on the terms and conditions as determined by the Government of India.

The brief profile of Shri M. Paramasivam is as under:

Shri Paramasivam, an agriculture graduate, started his journey in Canara Bank as an Agricultural Extension officer in the year 1990 and has served the Bank for 32 years in various capacities including leadership roles.

His experience and contribution are spread across multiple domains of Branch Banking, Credit, Priority Sector, Forex and Trade Finance, Compliance, among others. During his tenure as Wing Head of Priority Credit Wing in Canara Bank, FRUITS portal was launched in coordination with NABARD and Karnataka State Government. He was also instrumental in commencement of five Agri Credit Centres in terms of EASE-3 norms.

Shri Paramasivam has also undertaken Leadership Development Strategy Program organized by Banks Board Bureau and Indian Banks' Association.

Other details in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- a. Shri M. Paramasivam possesses expertise and competence in the area of Banking and Agriculture.
- b. There is no inter-se relationship between Directors
- c. Directorship in other listed entities: Nil
- d. Names of listed entity in which Shri M. Paramasivam has ceased to be Director in the past three years: Nil
- e. Shareholding in Punjab National Bank: 25 Shares

The remuneration and other terms and conditions of appointment of Shri M. Paramasivam are guided by the extant guidelines issued by Government of India.

Except Shri M. Paramasivam, none of the Directors, Key Managerial Persons of the Bank and their relatives is in any way, interested or concerned in the Resolution.

The Board has recommended that the proposal for his extension, be placed before the shareholders as Ordinary Resolution at the AGM, for seeking their approval.

• **Item No. 7:**

Shri Amit Kumar Srivastava was appointed by the Government of India as the Executive Director of the Bank under Section 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, vide Government of India Notification no. eF.No. 4/4(i)/2024-BO.I dated 24th November, 2025 with effect from 24th November, 2025, for a period of three years i.e. 23rd November, 2028 or until further orders, whichever is earlier.

In terms of the First Proviso to Regulation 17(1C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment/ extension of Directors has to be approved at the next general meeting of shareholders of the Bank.

Therefore, the approval of shareholders is sought to the appointment of Shri Amit Kumar Srivastava as Executive Director of the Bank on the terms and conditions as determined by the Government of India.

The brief profile of Shri Amit Kumar Srivastava is as under:

Shri Srivastava started his banking career with erstwhile Oriental Bank of Commerce (eOBC) as an Officer in March 1994 and served the Bank across various verticals. After merger of OBC with PNB, he continued to function in various leadership roles before assuming the office of Group Chief Risk Officer, in which he was incumbent till his elevation to Executive Director. He brings with him over 31 years of rich and multi-dimensional Banking experience.

An alumnus of BHU, he holds a Master's degree in Science and a Post Graduate Diploma in Treasury & Forex Management from ICFAI. He has also qualified globally recognised certification on Sustainability and Climate Risk (SCR) from GARP (USA), Professional Risk Manager and Risk in Financial Services.

Other details in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- a. Shri Amit Kumar Srivastava possesses expertise and competence in the area of Banking and Risk Management.
- b. There is no inter-se relationship between Directors
- c. Directorship in other listed entities: Nil
- d. Names of listed entity in which Shri Amit Kumar Srivastava has ceased to be Director in the past three years: Nil
- e. Shareholding in Punjab National Bank: 4400 Shares

The remuneration and other terms and conditions of appointment of Shri Amit Kumar Srivastava are guided by the extant guidelines issued by Government of India.

Except Shri Amit Kumar Srivastava, none of the Directors, Key Managerial Persons of the Bank and their relatives is in any way, interested or concerned in the Resolution.

The Board has recommended that the proposal for his appointment, be placed before the shareholders as Ordinary Resolution at the AGM for seeking their approval.

By order of the Board of Directors
For Punjab National Bank

Place: New Delhi
Date: May 27, 2026

(Bikramjit Shom)
Company Secretary
Membership No. F6517

ANNEXURE

Instructions on Deduction of Tax at Source on Dividend

The bank is required to deduct taxes at the prescribed rates on the dividend paid to its shareholders in accordance with Income-tax Act, 2025 ('Act 2025') effective from April 1, 2026. The tax rate varies depending on the residential status of the shareholder and the documents submitted by them and accepted by the bank.

Accordingly, the final dividend will be paid by the Bank after deducting tax at source, as applicable, as explained herein.

A. Resident Shareholders

1. For Resident Shareholders, TDS will be applicable at 10% on the amount of dividend subject to below mentioned conditions. In case, valid PAN is not provided, then the TDS will be applicable at 20% of the amount of dividend. Accordingly, shareholders who have not provided their PAN are requested to provide the same to the Bank or its Registrar to an Issue and Share Transfer Agent (RTA) viz. Beetal Financial & Computer Services (Pvt.) Ltd., (in respect of shares held in physical form) or to the Depository Participant (in respect of shares held in electronic form), immediately.

As per Section 262 of the Act 2025, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/inoperative and tax shall be deducted at the rate of 20% as per the provisions of Section 397(2) of the Act 2025. The bank will be using functionality provided by the Income-tax department for the above purpose.

No tax shall be deducted on the dividend payable if either of the below two conditions are fulfilled:

- Total dividend payable to a resident individual shareholder does not exceed ₹10,000 per year OR
 - The shareholder has provided duly signed Declaration in Form No. 121 (including Individual who is 60 years or above), fulfilling certain conditions.
2. The following Tax Resident Shareholders should be eligible for Nil/Lower Rate of TDS upon providing the documents to the Bank mentioned hereunder to the satisfaction of the Bank:

Sr. No.	Particulars	Applicable Rate of TDS	Documents Required
a)	Insurance Companies	Nil	• Declaration that it is an Insurance Company as specified under Sec 393(4) [Table: Sr.No.10] of the Act 2025. • Self-attested copy of certificate of registration with IRDAI • Self-attested copy of PAN card
b)	Government, Reserve Bank of India (RBI), Specified Corporations established by or under Central Act whose income is exempt from tax, and Mutual Funds specified under section 10(23D) of the Act	Nil	• Self-declaration that they are specified in Schedule VII (Table: Sr. No. 20 or 21) to section 11 of the Act 2025 • Self-attested copy of relevant registration documents. • Self-attested copy of PAN card.

Sr. No.	Particulars	Applicable Rate of TDS	Documents Required
c)	Category - I & II Alternative Investment Funds (AIF) registered with the Securities and Exchange Board of India (SEBI)	Nil	Self-declaration that their income is exempt under Schedule V [Table: Sr. No. 1] to section 11 of the Act 2025 and they are established as Category I or Category II AIF under the SEBI Regulations, • Self-attested copy of SEBI AIF registration certificate. • Self-attested copy of the PAN card.
d)	Shareholders exempted from TDS provisions in terms of any provisions of the Act or CBDT Circular or notification	Nil	• Declaration that it is covered by CBDT circular or Notification. • Documentary evidence supporting the exemption status in terms of any provisions of the Act 2025 or CBDT Circular or notification. • Self-attested copy of PAN card.
e)	All resident shareholders	Rate specified in the low deduction certificate issued by the Income Tax Department	• Self-attested copy of certificate under section 395(1) of the Act 2025 [issued in Bank's TAN DELP3704D]

B. Non-Resident Shareholders

1. For Non-resident institutional shareholders i.e. Foreign Institutional Investors/Foreign Portfolio Investor (FIIs/FPIs), TDS will be applicable under section 196D of the Act 2025, at 20% or as per the rate in any applicable Double Tax Avoidance Agreement (tax treaty) on submission of

documents mentioned below, whichever is lower, on the amount of dividend payable.

2. For other Non-resident shareholders, TDS will be applicable in accordance with the provisions of section 195 of the Act 2025, at the rates in force which is currently 20% or as per the rate in any applicable tax treaty on submission of documents mentioned below, whichever is lower, on the amount of dividend payable.
3. If certificate under section 395(1) of the Act 2025 is obtained by non-resident shareholders for lower/Nil withholding of taxes, rate specified in the said certificate shall be considered based on submission of self-attested copy of the same.

Pursuant to section 159 of the Act 2025, non-resident shareholders have the option to avail the benefit of tax treaty between India and the countries of their tax residence for which such non-resident shareholders will have to provide the following documents, to the satisfaction of the Bank:

1. Self-attested copy of the PAN allotted by the Indian Income Tax Authorities; If the PAN is not allotted, please submit self-declaration.
2. Self-attested copy of Tax Residency Certificate (TRC) (for FY 2026-27) obtained from the tax authorities of the country of which the shareholder is resident. In case, the TRC is furnished in a language other than English, the said TRC would have to be translated from such other language to English language and thereafter duly notarized and apostilled copy of the TRC would have to be provided.
3. Form 41 in electronic format as required under section 159(1) and 159(2) of the Act 2025
- a. shareholders are and will continue to remain a tax resident of the country of their residence during the tax year 2026-27;

- b. Non-residents are eligible to claim the benefits under respective tax treaty;
- c. Non-resident(s) receiving the dividend income is the beneficial owner of the shares held in the Bank;
- d. Dividend income is not attributable / effectively connected to any Permanent Establishment (PE) or Fixed Base in India.

Please note that the Bank in its sole and absolute discretion reserves the right to call for any further information and/or to apply domestic law/tax treaty for TDS.

General Instructions:

- 1. All the above referred TDS rates shall be duly enhanced by surcharge and cess, wherever applicable. However, if the TDS rate as per DTAA is applied, no surcharge or cess is leviable.
- 2. Shareholders holding shares in dematerialized mode, are requested to update their records such as tax residential status, PAN, address, bank account details, email addresses and mobile numbers with their depository participants. Shareholders holding shares in physical mode are requested to furnish their details to the Bank or Bank's RTA.

Please note that for the purpose of complying with the applicable TDS provisions, the Bank will rely on the above-mentioned information as on record date i.e. 13th June, 2026 as per the details available with the Depositories/Bank's RTA.
- 3. The Forms/Declarations can be downloaded from the website: www.pnb.bank.in. In order to enable the Bank to determine the appropriate tax rate at which tax has to be deducted at source under

the respective provisions of the Act 2025, Shareholders are requested to provide/submit the documents as applicable to them **on or before 13.06.2026 at beetalrta@gmail.com/**
hosd@pnb.bank.in

- 4. The dividend will be paid after deduction of tax at source, as determined on the basis of the documents provided by the respective shareholders to the Bank/RTA, as applicable to them, and being found to be complete and satisfactory in accordance with the Act 2025. The Bank shall arrange to dispatch the TDS certificate to the shareholder.
- 5. No communication on the tax determination/deduction in respect of the said dividend shall be entertained post the above-mentioned date and time. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the required details/documents, as mentioned in the table at point 2 above, there would still be an option available with the Shareholder to file the return of income and claim an appropriate refund, if eligible. Further, it may be noted that no claim shall lie against the Bank for such taxes deducted.
- 6. All communications/queries in this respect should be sent to the Bank/ Bank's RTA at beetalrta@gmail.com and/or hosd@pnb.bank.in.
- 7. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Bank and also, provide the Bank with accurate information/documents and co-operation in any proceedings.

- 8. The Bank will be relying on the information verified from the functionality or facility available on the Income Tax website for ascertaining the income tax compliance for whom higher rate of TDS shall be applicable under section 397(2) of the Act 2025.
- 9. In case where shares are held by Clearing Member/ intermediaries/ stock brokers and TDS is to be applied by the Bank on the PAN of the beneficial shareholders, then intermediaries/ stock brokers and beneficial shareholders will have to provide a declaration as per rule 37BA to the RTA by 13.06.2026.

- 10. It may be further noted that in case the tax on the said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, there would still be an option available with the shareholder to file the return of income and claim an appropriate refund, if eligible.
- 11. Shareholders will be able to see the credit of TDS in Form 168, wherever PAN is available which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

Disclaimer:

This communication shall not be treated as an advice from Punjab National Bank. Shareholders should obtain tax related advice from a tax professional.

DIRECTORS' REPORT



Collaborating
to build a
Viksit Bharat



DIRECTORS' REPORT

Dear Stakeholders,

It is my utmost privilege to present the Annual Report for the Financial Year 2025-26 on behalf of the entire team. The Financial Year 2025-26 was marked by sustained business growth, improved asset quality and enhanced profitability.

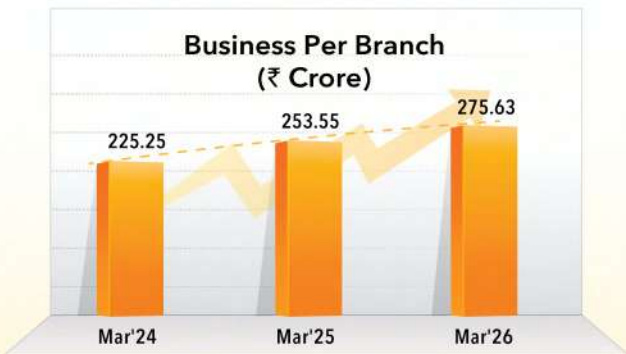
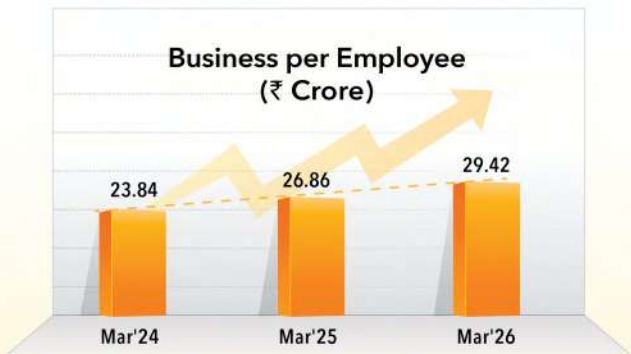
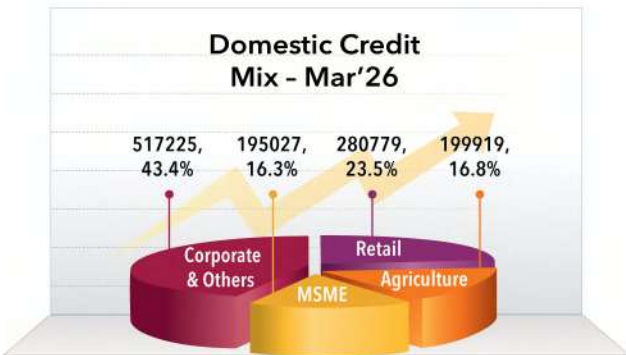
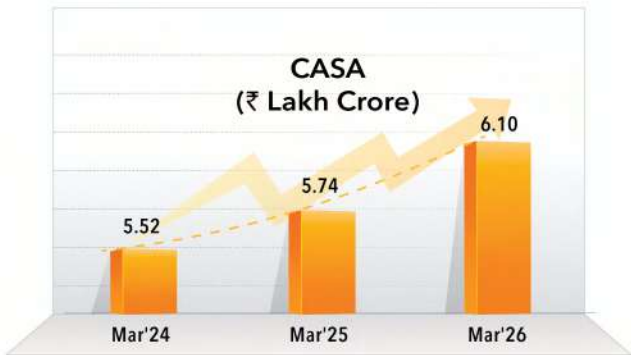
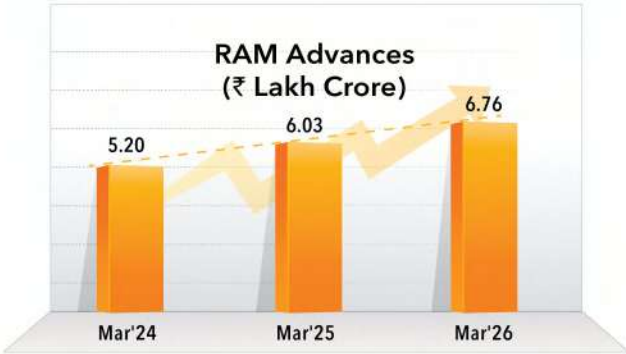
PNB AT A GLANCE

(Amount in ₹ Crore)

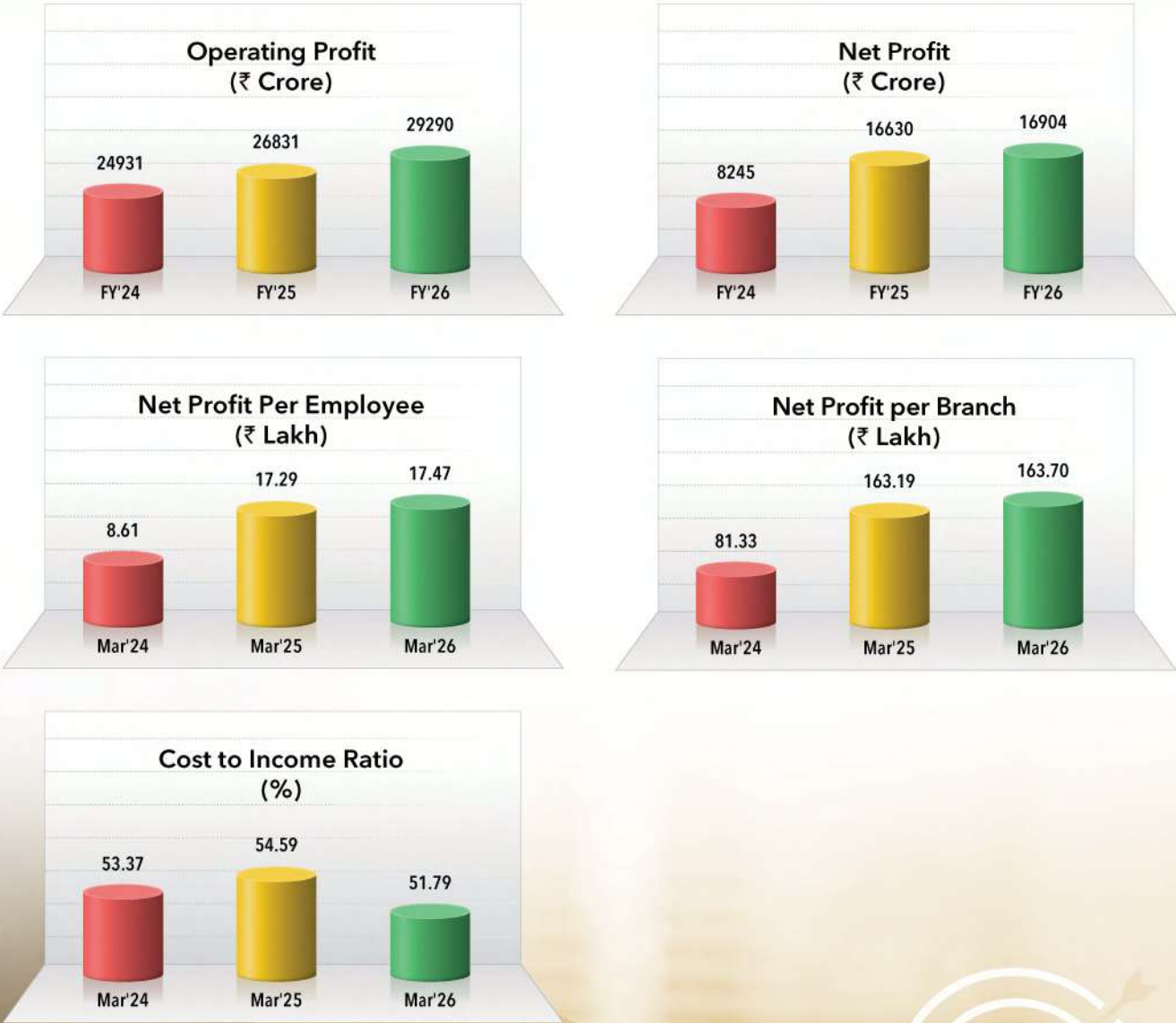
S no	Parameter	FY'23	FY'24	FY'25	FY'26
1	Share Capital	2,202	2,202	2,299	2,299
2	Reserves & Surplus	97,653	1,04,274	1,25,064	1,40,351
3	Global Business	21,65,844	23,53,038	26,83,260	29,69,685
4	Global Deposits	12,81,163	13,69,713	15,66,623	17,11,126
5	Global Advances	8,84,681	9,83,325	11,16,637	12,58,559
6	Net Advances	8,30,834	9,34,430	10,77,475	12,25,292
7	Investment (Net)	3,95,996	4,20,318	4,97,311	4,94,112
8	Total Assets	14,61,831	15,61,835	18,18,171	19,85,892
9	Branches (No.)-Domestic	10,076	10,136	10,189	10,324
10	ATM Network (No.)	12,898	12,131	11,822	11,065
11	Business Correspondents (No)	24,227	33,614	33,349	33,314
12	Total employees (Excluding PTS)- (No)	97,574	95,789	96,211	96,738
13	Operating Profit	22,529	24,931	26,831	29,290
14	Total Provisions	20,021	16,687	10,201	12,386
15	Net Profit	2,507	8,245	16,630	16,904
16	Business/Employee (Rs. Crore)	21.64	23.84	26.86	29.42
17	Global Cost of Deposit (%)	4.10	4.91	5.23	5.16
18	Global Yield on Advances (%)	7.16	8.28	8.34	7.80
19	Global Yield on Investment (%)	6.57	6.78	6.99	6.87
20	Global Net Interest Margin (%)	3.06	3.09	2.93	2.57
21	Return on Assets (%)	0.18	0.54	0.97	0.89
22	Return on Equity (%)	3.94	11.66	19.33	15.67
23	Cost to Income Ratio (%)	51.69	53.37	54.59	51.79
24	Gross NPAs (%)	8.74	5.73	3.95	2.95
25	Net NPAs (%)	2.72	0.73	0.40	0.29
26	PCR % (including TWO)	86.90	95.39	96.82	97.14
27	Capital Adequacy Ratio (%)	15.50	15.97	17.01	17.74
28	Tier 1 Ratio (%)	12.69	13.17	14.05	15.15

KEY FINANCIAL POSITION

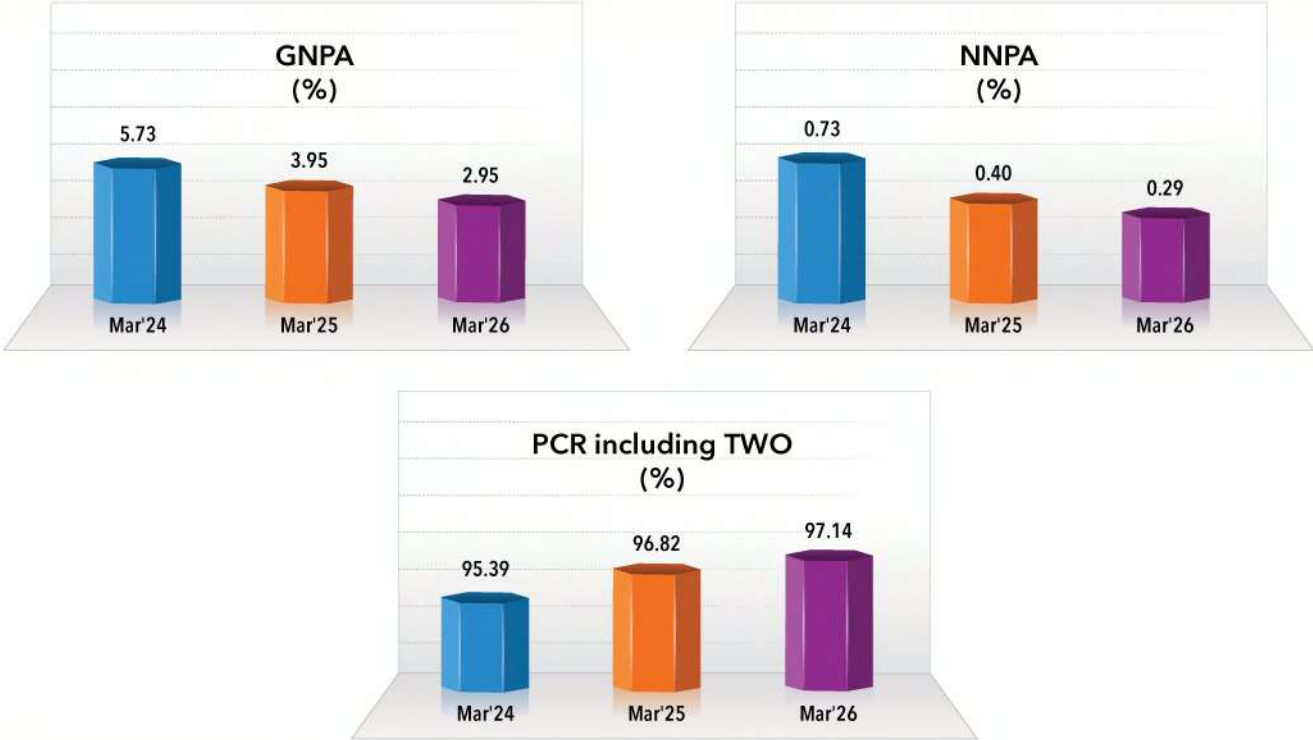
A. Business Position



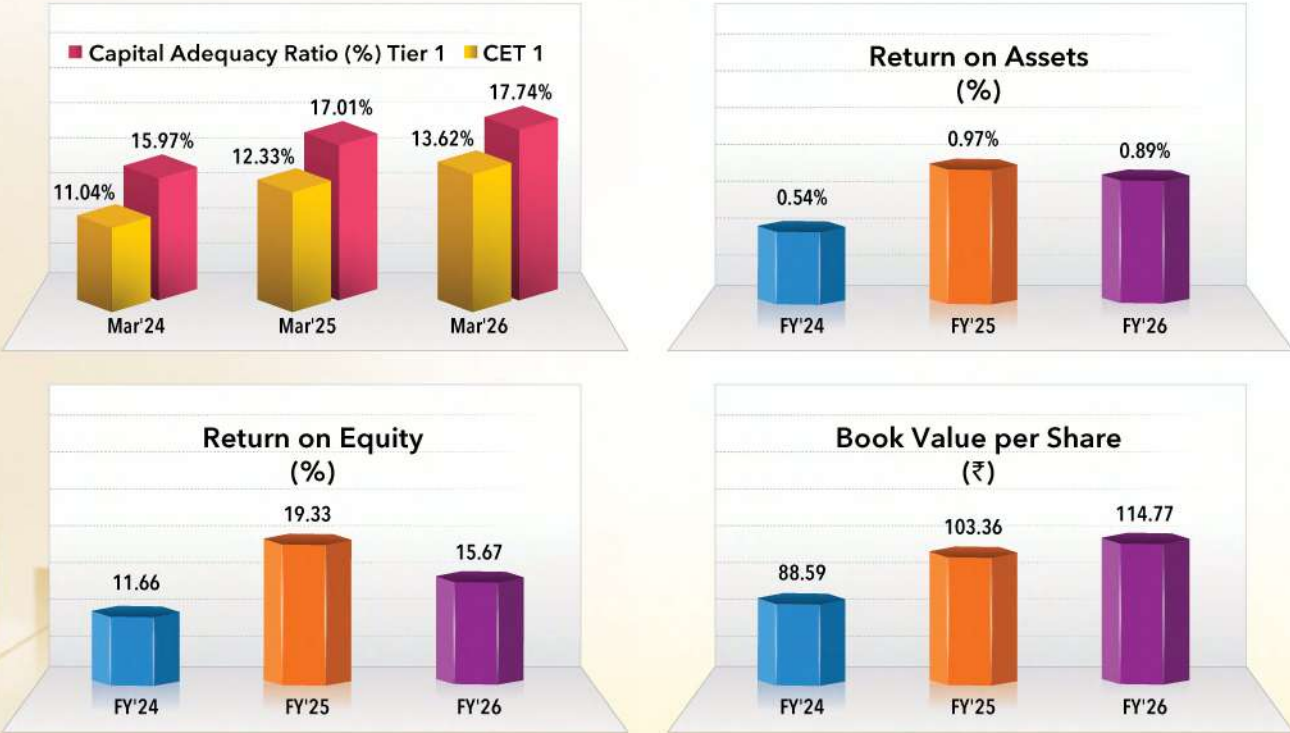
B. Profitability



C. Asset Quality



D. Capital Adequacy & Key Ratios



Before we delve deeper into our Bank's financial and operational performance in Financial Year 2025-26, let us first discuss the global and domestic economic conditions which paved the way for the performance.

Global Economic growth for the year 2026 is projected to moderate to 3.1 per cent [As per IMF's World Economic Outlook April 2026], facing headwinds from geopolitical tensions in the Middle East, trade fragmentation, and elevated debt. Despite prevailing global uncertainties, India is expected to remain one of the fastest growing major economies for FY 2025-26, with GDP growth at ~7.6 per cent as per National Statistical Organization (NSO). This expansion has been fueled by robust consumer spending, rising levels of investment in various sectors, continued policy support from the government, ongoing structural reforms that aim to improve efficiency & productivity, and favorable financial conditions such as low interest rates and sufficient liquidity.

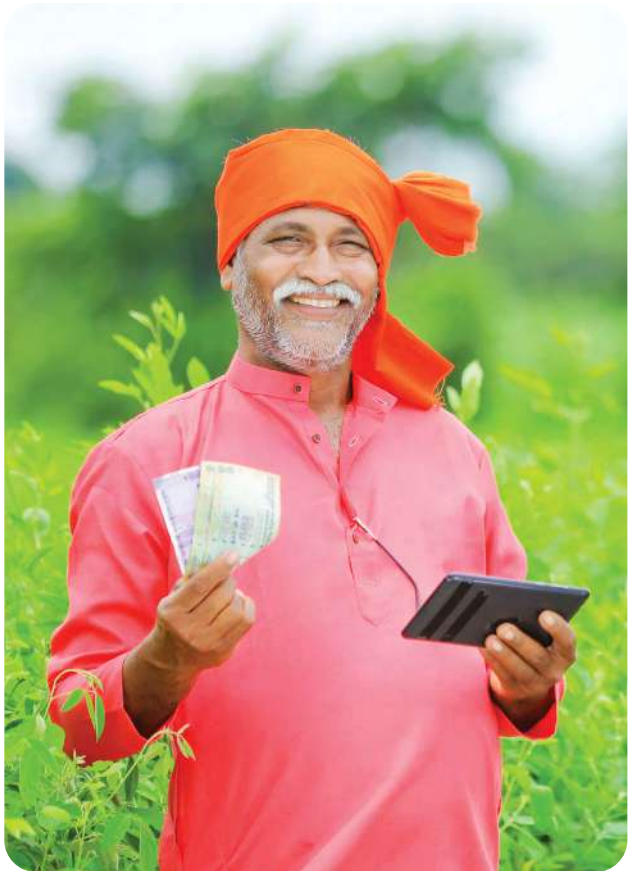
In Banking sector, credit rose by 16.08 per cent while deposits increased by 13.47 per cent year-on-year as on 31st March, 2026, as per data released by the Reserve Bank of India. Total deposits stood at ₹262.30 Lakh Crores, while Banking sector credit was at ₹213.61 Lakh Crores. Investments also increased by 4.7 per cent to ₹71.4 Lakh Crores as on 31st March, 2026. Credit Growth was heavily supported by **MSMEs** and **Retail** segments, specifically **gold loans** and vehicle loans. Our Bank also delivered commendable growth during FY 2025-26.

During FY 2025-26, the Bank's business reached at ₹29.70 Lakh Crores with an increase of ₹2.87 Lakh Crores over the previous year. Gross Advances recorded double-digit growth of 12.7 per cent with Domestic Advances registering the growth of 11.9 per cent. As on 31st March, 2026, Global Advances stood at ₹12.59 Lakh Crores while Global Deposits stood at ₹17.11 Lakh Crores.

Under Retail Segment [Excluding IBPC], Housing Loan, Vehicle Loan and Education

Loan exhibited the growth of 11.6 per cent, 35.1 per cent and 6.1 per cent respectively on year basis.

The Bank showed improvement in **Asset Quality**. It was achieved through adoption of robust recovery and enhanced underwriting standards. The Bank's GNPA per cent declined to 2.95 per cent as on 31st March, 2026 from 3.95 per cent as on 31st March, 2025. Net NPA per cent also went down to 0.29 per cent



The Bank continued to maintain strategic focus on Retail, Agriculture and MSME (RAM) segments during the year and this segment registered growth of 12.1 per cent.

as on 31st March, 2026 from 0.40 per cent as on 31st March, 2025. Provision Coverage Ratio including Technical Write Off (TWO) of the Bank improved to 97.14 per cent as on 31st March, 2026 from 96.82 per cent as on 31st March, 2025.

Demonstrating its continued commitment to technological advancement, the Bank achieved remarkable progress on the digital front by introducing cutting-edge products, processes, and portals. These advancements significantly **enhanced customer experience** and **operational efficiency**, positioning the Bank as a leading entity in digital transformation within the banking industry.

The Bank also remained front runner in adopting best of HR practices. Apart from digital thrust, development under Human Resource Transformation remained at the forefront and UDAAN project continued to evolve with capacity building and coming out with digital Performance management system.

"Against this backdrop, your Board of Directors is pleased to present the Annual Report of the Bank for the year ended 31st March, 2026 (FY 2025-26) along with its audited Annual Financial Statements".

I. FINANCIAL PERFORMANCE AS ON 31ST MARCH, 2026

1. Topline

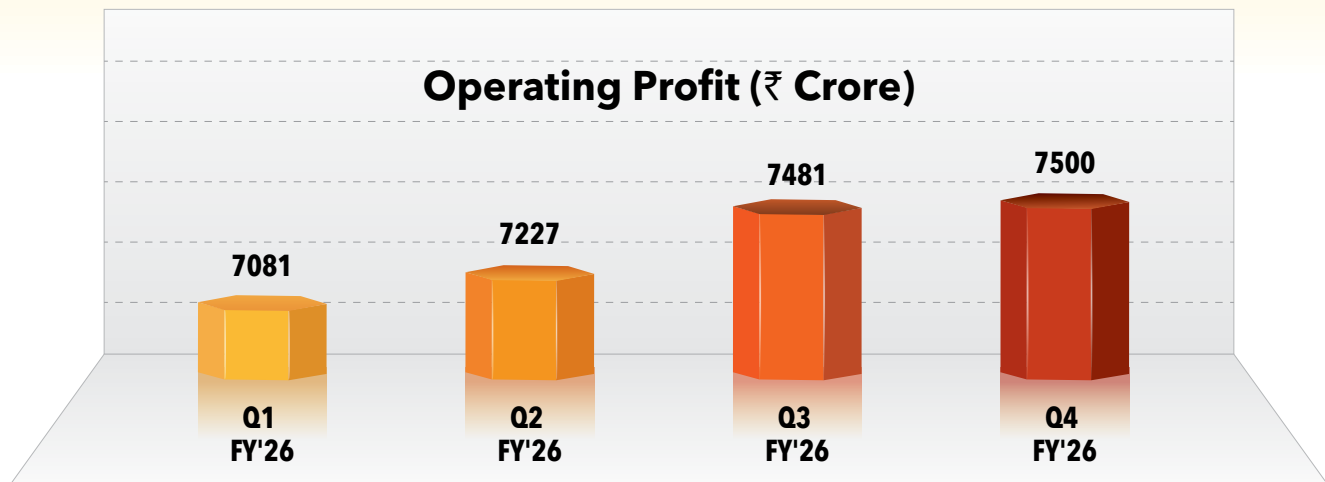
- a. **Global Business** stood at ₹29,69,685 Crores as on 31st March, 2026 vis-à-vis ₹26,83,260 Crores as on 31st March, 2025, registering year on year growth of 10.7 per cent.
- b. **Global Deposits** stood at ₹17,11,126 Crores as on 31st March, 2026 as against ₹15,66,623 Crores as on 31st March, 2025, showing the year-on-year growth of 9.2 per cent.
- c. **CASA Deposits** stood at ₹6,09,615 Crores as on 31st March, 2026 as against ₹5,73,543 Crores as on

31st March 2025, registering the year-on-year growth of 6.3 per cent.

- i. Current Deposits stood at ₹79,294 Crores as on 31st March 2026.
- ii. Savings Deposits stood at ₹5,30,321 Crores as on 31st March, 2026.
- d. **CASA Share** stood at 37.0 per cent as on 31st March, 2026
- e. **Global Advances** stood at ₹12,58,559 Crores as on 31st March, 2026 against ₹11,16,637 Crores as on 31st March, 2025, recording the growth of 12.7 percent on year-on-year basis.
- f. **Retail Advances** [Excluding IBPC] were at ₹2,51,729 Crores as on 31st March, 2026 as against ₹2,13,037 Crores as on 31st March, 2025, registering the year-on-year growth of 18.2 per cent.
- g. **Agriculture Advances** were at ₹1,99,919 Crores as on 31st March, 2026 as against ₹1,80,625 Crores as on 31st March, 2025, showing the year-on-year growth of 10.7 per cent.
- h. **MSME Advances** were at ₹1,95,027 Crores as on 31st March, 2026 as against ₹1,62,693 Crores as on 31st March, 2025 showing the growth of 19.9 per cent.
- i. **Retail Agriculture MSME (RAM) Advances** were at ₹6,75,725 Crores as on 31st March, 2026 vis-à-vis ₹6,02,682 Crores as on 31st March, 2025 showing year-on-year growth of 12.1 per cent.
- j. **Share of RAM** w.r.t. Domestic Advances was at 56.6 per cent as on 31st March, 2026 as against 56.5 per cent as on 31st March, 2025.

2. Bottom Line

- a. **Net Interest Income** was at ₹41,960 Crores in FY 2025-26 vis-à-vis ₹42,782 Crores in FY 2024-25. It was on account of the policy rate reduction during the year.



- b. **Operating Profit** of the Bank was at ₹29,290 Crores in FY 2025-26 vis-à-vis ₹26,831 Crores in FY 2024-25 showing year on year growth of 9.2 per cent. In all the quarters of FY 2025-26, the Bank's operating profit remained more than ₹7,000 Crores and in Q4 FY 2025-26, Operating Profit touched ₹7,500 Crores.
- c. **Net Profit** of the Bank was at ₹16,904 Crores in FY 2025-26 vis-à-vis ₹16,630 Crores in FY 2024-25.

3. **Asset Quality**

- a. **Gross NPA** of the Bank stood at ₹37,124 Crores as on 31st March, 2026, reducing from the level of ₹44,082 Crores as on 31st March, 2025.
- b. **Gross NPA %** exhibited decline of 100 bps from a level of 3.95 per cent as on 31st March, 2025 and stood at 2.95 per cent on 31st March, 2026.
- c. **Net NPA** of the Bank reduced to ₹3,610 Crores as on 31st March, 2026 from ₹4,291 Crores as on 31st March, 2025.
- d. **Net NPA %** declined by 11 bps from a level of 0.40 per cent as on 31st March, 2025 and stood at 0.29 per cent as on 31st March, 2026.

- e. **Provision Coverage Ratio (PCR) including TWO** increased by 32 bps to 97.14 per cent as on 31st March, 2026 as against 96.82 per cent as on 31st March 2025.
- f. **Provision Coverage Ratio (PCR) excluding TWO** increased by 1 bps to 90.28 per cent as on 31st March, 2026 as against 90.27 per cent as on 31st March 2025.

Slippage Ratio showed improvement from 0.73 per cent in FY 2024-25 to 0.60 per cent in FY 2025-26.

4. **Key Ratios (Global)**

- a. **Net Interest Margin** stood at 2.57 per cent in FY 2025-26.
- b. **Cost of Deposits** stood 5.16 per cent in FY 2025-26.
- c. **Yield on Advances** stood at 7.80 per cent in FY 2025-26.
- d. **Yield on Investment** stood at 6.87 per cent in FY 2025-26.
- e. **Return on Assets** stood at 0.89 per cent in FY 2025-26.

5. **Capital Position**

The Capital Adequacy of the Bank improved during the financial year with an improvement in RWA and Profitability.

The Capital Adequacy Ratio of the Bank recorded increase of 73 bps to reach at 17.74 per cent, as of 31st March, 2026, with Common Equity Tier-1 (CET-1) at 13.62 per cent and AT-1 capital at 1.53 per cent.

II. **OPERATIONAL HIGHLIGHTS**

1. **Brand Image:** During FY 2025-26, the Bank enhanced brand identity by partnering with Ms. Harmanpreet Kaur, Indian Woman Cricketer and Captain of the winning squad of Women's One Day Cricket World Cup 2025 marking a historic first for the Bank with her engagement as Brand Ambassador.
2. **Meeting Management Solution:** The Bank introduced digital flow of agenda notes through Meeting Management Solution, thereby facilitating end-to-end paperless meetings.
3. **ISO 9001:2015 Certification:** ISO 9001:2015 standard is aimed to provide a standardized framework for a Quality Management System (QMS) that ensures organization is consistently delivering products and services meeting customer, statutory, and regulatory requirements

ISO Certification of ISO 9001:2015 was awarded to the various verticals of the Bank such as Board & Co-ordination Division, Stressed Asset Management Division, Digital Banking & Transformation Division, Finance & Accounts Division, Strategic Management & Economic Advisory Division, International Banking & Trade Finance Division, Human Resources & Training Division, Information Technology Division, Integrated Risk Management Division and Compliance.

4. **Cyber Security:** The Bank organized Hackathon 2025 with IIT Kanpur, themed "Code Against Malware" underscoring the dedication of the Bank to innovation and prevention. It was aimed at proactively devising solutions to address emerging cyber threats. The Bank is the first Public Sector Bank to deploy a Next-Generation Security Operations Centre (NGSOC) powered by a unified Data Lake.

5. **Sustainability Reporting:** The Bank published its inaugural Sustainability report 2025 on its website marking an important step in its Climate/ESG journey The Bank



Ms. Harmanpreet Kaur, Indian Cricketer and Captain of the winning squad of ODI Women Cricket World Cup was engaged as Brand Ambassador of the bank.

has set a Net Zero target year of FY2031 for Scope 1 and Scope 2 emissions, and a Net Zero target year of 2060 for Scope 1, Scope 2, and Scope 3 emissions.

6. Key Digital Initiatives & Achievements:

In FY 2025-26, the Bank continued its commitment towards digitalization by solidifying presence in the digital banking landscape. The Bank enhanced its Mobile Banking Services and Internet Banking Services, now offering more than 350 features. These improvements are designed to address a wide range of customer requirements and preferences, making banking more accessible, flexible, and user-friendly.

Digital Lending Journeys for Customer Convenience

New digital lending journeys were introduced towards customer convenience. These initiatives streamlined the lending process, allowing customers to access credit facilities through digital channels efficiently and securely.

- a. **Digi Saarthi (Two-Wheeler Loan):** A fully digital journey for two-wheeler loans for eligible customers was introduced during the year.
- b. **Tractor Xpress:** A digital tractor loan journey introduced for farmers with Funding up to 70% of tractor cost, with half yearly repayment.
- c. **Digi Dairy Kisan Credit Card (KCC):** An end-to-end digital journey launched to support dairy farmers.

During FY 2025-26, the Bank's efforts continued to further strengthen cyber security. The Bank became the **1st Public Sector Bank (PSB)** to move its corporate website to the "bank.in" domain, to boost cybersecurity, prevent fraud and build greater trust.

- d. **Enhanced KCC Review, Renewal & Drawing Power (DP) Enhancement:** Digital journey with revised limits up to ₹10.00 Lakh.
- e. **e-PM SVANidhi 2.0:** Digital on-boarding and sanction journey launched under the revamped scheme.
- f. **Digi Surya Ghar:** A digital lending journey launched to support loans under the PM Surya Ghar-Muft Bijli Yojana.
- g. **Self Help Group (SHG):** A seamless, end-to-end digital ecosystem initiated streamlining SHG onboarding and accelerating formal credit linkage for enhanced financial inclusion.
- h. **e-LAS:** A fully digital instant Loan Against Securities (LAS) journey was made live.
- i. **Digi Shreshtha:** A digital lending journey for women entrepreneurs under the "Lakhpati Didi" initiative made live.



WhatsApp Banking

To cater to the evolving needs of tech-savvy customers, Bank's WhatsApp Banking services now have more than 90 services, among the best across banks. During the year, several major new functionalities were introduced through WhatsApp Banking:

- a. KYC updation through WhatsApp Banking
- b. Loan account summary and account statements
- c. Debit card related services and customer feedback capture
- d. Expansion of multilingual support

Gen AI Initiatives

With the focus on innovation and future ready banking, the Bank undertook several **Gen Artificial Intelligence (AI) initiatives** include:

- a. Launch of AI powered **customer chatbot "PIHU"**, providing information and selected servicebased responses across digital channel.

Hi, I am PIHU,
your friendly
AI-powered
banking assistant!



- b. Implementation of **GenAI based tools for credit note generation and sales support.**
- c. Introduction of **AI-enabled employee chatbot "RAHEE"** for instant access to circulars and policy information
- d. Initiation of advanced AI use cases to enhance customer onboarding, service delivery and operational efficiency.

7. Compliance Culture

- a. Compliance is the collective responsibility of organization as a whole. The Compliance Function activities are managed by dedicated officials at Head Office, Zonal Compliance Officers at Zonal Offices and Circle Compliance Officers at Circle Offices.
- b. **sDQI:** The Compliance Function has undertaken several proactive measures to strengthen data quality, resulting in notable progress in the RBI's Supervisory Data Quality Index (sDQI) in terms of strong commitment to robust data integrity, disciplined compliance practices, and adherence to regulatory expectations.
- c. The consistent improvement in the **Bank's Supervisory Rating** is primarily attributable to its proactive and preventive compliance culture which emphasizes early identification and mitigation of risks. Building on this foundation, the Bank instituted several initiatives such as regular compliance assessments of regulatory and internal guidelines, strengthened monitoring mechanisms, etc.

8. Key Structural Transformations

- a. **Start-up Branch:** The Bank to support the Startup India initiative, dedicated scheme for startups was launched and first startup branch in Bhikaiji Cama Place, New Delhi, was opened in August 2025, offering tailored banking solutions for entrepreneurs.



- b. **Centralized Credit Guarantee Cell (CCGC):** Centralized Credit Guarantee Cell (CCGC) has been set up under the MSME & Mid Corporate Credit Division at Head Office to centrally manage all aspects of credit guarantees including Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), National Credit Guarantee Trustee Company (NCTGC) and other schemes for Micro & Small Enterprises (MSEs).
- c. **Energy Efficiency Financing Cell (E-cell):** Energy Efficiency Financing Cell (E-Cell) has been established at Head Office, MSME & Mid Corporate Credit (MCC) Divisions

for handling various aspects of financing Energy Efficient projects of MSMEs.

- d. **Large Corporate Credit (LCC) Division:** Large Corporate Credit (LCC) Division at Head Office was created to cater large corporate clients having exposure above ₹300 Crores, including group exposure above ₹600 Crores.

- e. **Mid Corporate Credit (MCC) Division:** Mid Corporate Credit (MCC) segment has been carved out from Corporate Credit Division at Head Office to cater Mid Corporate segment client having exposure up to ₹300 Crores including group exposure up to ₹600 Crores and aligned with Head Office, MSME & MCC Division.
- f. **CMS & FSCM Marketing Segment:** Cash Management Services (CMS) & Financial Supply Chain Management (FSCM) marketing segment has been set up at 15 identified Customer Acquisition Centres

(CACs)/Integrated Customer Acquisition Centres (i-CACs) for focused marketing and lead generation. This initiative aims to strengthen field level marketing efforts along with better sourcing and servicing of CMS & FSCM leads across high-potential areas.

- g. **Realignment of Government Business Vertical (GBV) with Customer Acquisition Centre (CAC) as a segment:** To ensure effective & optimal utilization of resources and better synchronization at the field level, realignment of Government Business Vertical (GBV) with Customer Acquisition Centre (CAC) as Government Business Segment was implemented.
- h. **Trade Finance Cell:** Inland Trade Finance (ILC&ILG) function was aligned with International Banking Division (IBD) rechristening IBD as International Banking & Trade Finance Division (IBTFD).
- i. **Reorganization of Zonal Offices and Circles:** Restructuring of Hyderabad Zone with the creation of a new Bengaluru Zone and a new Mangaluru Circle (by carving out branches from Bengaluru and Hubli Circles), the reorganization of Bhopal Zone with a new Katni Circle (formed from Bhopal and Jabalpur Circles), and the reorganization of Raipur Zone with a new Hazaribagh Circle (carved out from Bokaro and Ranchi Circles) have been implemented.
- j. **Asset Recovery Monitoring Branches (ARMBs) and Stressed Asset Management (SAM) Branches:** Under the new structure, General Banking Branches is handling NPA accounts with fund-based outstanding below ₹20 lakh, ARMBs are managing NPA accounts between ₹20 Lakh and ₹25 Crores including DRT/DRAT filed accounts (up to ₹25 Crores but excluding NCLT cases), and SAM Branches are overseeing NPA accounts above ₹25 Crores along with all NCLT admitted accounts.

- k. **Public Relations and Credit Card Division (PR&CCD)** was established at Head Office for credit card operations, corporate communication, social media and digital marketing (including Website).

9. Project UDAAN- HR Transformation

Bank embarked upon a comprehensive Human Resources Transformation initiative, christened as **Project "UDAAN"**, with the objective of strategically redesigning and optimizing HR processes, systems, and roles to align more closely with the Bank's long-term goals.

During FY 2025-26, the Bank sustained its focus on strengthening human capital and enhancing institutional effectiveness through a series of initiatives under this transformation agenda. The Bank's digital Performance Management System (PMS) framework was revamped, with the introduction of new parameters such as **customer service, conduct risk, and compliance**, thereby reinforcing fairness and accountability in performance evaluation.

- a. **Revamping and Strengthening the Performance Management Framework:**
- During FY 2025-26, the Bank undertook significant initiatives to strengthen its Performance Management System (PMS) framework, aimed at enhancing transparency, fairness, and accountability in performance evaluation.
- b. **Capability Assessment and Structured Skill Development:**

Under Project "UDAAN," the Bank undertook a comprehensive skill assessment exercise covering officers across multiple scales and functional domains. This data-driven approach enabled the identification of skill gaps and prioritization of capacity-building requirements. These initiatives supported the development of future-

ready capabilities and strengthened role-specific expertise across the organization.

c. Strengthening Learning Effectiveness and Continuous Development:

During FY 2025-26, the Bank reinforced its learning governance framework through the adoption of structured training impact assessment mechanisms. Training programs were evaluated across multiple dimensions, including participant feedback, learning outcomes, behavioral change, and linkage with performance indicators, thereby enabling continuous refinement and effectiveness of learning initiatives.

d. Leadership Development and Institutional Collaboration:

During FY 2025-26, the Bank continued to invest in strengthening leadership capabilities through structured development programs for senior and feeder-level officers. **The Leadership Development Programme (LDP) 3.0** was conducted for officers in Scale V and above, with a focus on enhancing strategic, managerial, and leadership competencies aligned with higher responsibilities. In addition, a refresher program, **Udaan Elevate 2.0**, was organized for participants of LDP 2.0, reinforcing key learnings and supporting sustained leadership growth.

e. Promoting Inclusivity, Diversity, and Empowerment:

During FY 2025-26, the Bank reinforced its commitment to inclusivity and diversity through structured empowerment programs. The Unnati Path initiative was launched as a pan-Bank program to promote women's leadership development, focusing on confidence building, leadership readiness, and career progression.

In addition, specialized training programs for Divyangjan officers were introduced

to support capability enhancement, confidence building, and career progression.

f. Academic Engagements and External Expertise:

During FY 2025-26, the Bank strengthened the quality and relevance of its learning interventions through active engagement with external experts and academic institutions. Experienced professionals were associated with training and mentoring initiatives, providing practical insights and contemporary perspectives that enriched the overall learning ecosystem.

g. Analytics Driven and Digital HR Initiatives:

The Bank strengthened its people's analytics capabilities through the establishment of a dedicated analytics function. This initiative enabled structured analysis of HR data, generation of workforce insights, and informed decision-making across multiple levels of the organization.

III. RATING:

Rating Agencies	Rating
Moody's	Baa3/P-3/ Stable
Fitch	BBB-/F3/Stable
India Rating & Research (Ind Ra)-Long Term Issuer Rating	IND AAA/Stable

IV. DIVIDEND

The Board of Directors of the Bank has recommended a dividend of ₹3/- per equity share (150 per cent) of face value of ₹2/- each for FY 2025-26, subject to approval of the shareholders at the 25th Annual General Meeting of the Bank.

V. ASSET QUALITY

Focus on asset quality continues to be one of the key priorities for the Bank. The position of recovery & upgradation,

through different methods is enumerated as under:

1. Recovery & Upgradation: Total Recovery stood at ₹15,501 Crores for FY 2025-26. Out of this, total cash recovery stood at ₹11,990 Crores for FY 2025-26. Recovery in Written Off Accounts and Recorded Interest for FY 2025-26 stood at ₹7,740 Crores.

2. NCLT & Liquidation Cell: This Cell was created to deal exclusively with restructuring/resolution of NPA accounts and recovery in National Company Law Tribunal (NCLT) cases. During FY 2025-26, ₹1,868 Crores recovered in NPA accounts under Corporate Insolvency Resolution Process (CIRP).

3. Megae-Auctions: During FY 2025-26, 9,681 properties were uploaded on e-Bikray portal. Out of which, 1,620 properties were auctioned successfully.

4. Sale of Assets to Asset Reconstruction Company (ARC)/ National Asset Reconstruction Company Ltd (NARCL): During FY 2025-26, 7 accounts were sold to NARCL at total sale consideration of ₹1038 Crores out of which cash component is ₹156 Crores and Security Receipt component is ₹882 Crores.

During the same period, 13 accounts were sold to ARC at total sale consideration of ₹410 Crores on cash basis.

5. Segment wise NPAs

a. In Retail Segment: GNPA per cent declined by 55 bps from 1.28 per cent as on 31st March, 2025 to 0.73 per cent as on 31st March, 2026.

b. In Agriculture, GNPA per cent declined by 190 bps from 10.97 per cent as on 31st March, 2025 to 9.07 per cent as on 31st March, 2026.

c. In MSME segment, GNPA per cent declined by 319 bps from 11.65 per cent as on 31st March, 2025 to 8.46 per cent as on 31st March, 2026

6. Industry wise NPAs: Decline in GNPA percentage was observed in all the industries by 142 bps to 2.68 per cent as on 31st March, 2026 from 4.10 per cent as on 31st March, 2025.

7. Initiatives taken to improve Asset Quality during FY 2025-26

a. Vertical Revamping: Rationalized recovery vertical with set up of Asset Recovery Management (ARMB) branches and Stressed Asset Management branches for focused NPA recovery management.

Litigation Management Cell at Head Office has been constituted for effective management of all NPA litigation

b. National Company Law Tribunal (NCLT): Set up of NCLT monitoring cell for actively engaging with liquidator and to ensure regular follow-up for recovery in cases that have been stuck for long.

c. Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI): Focus on obtaining physical possession of IPs through focused monitoring of DM applied cases to double the percentage of IPs under physical possession

d. DRT: Special campaign for DRT decreed accounts.

e. Active participation in Lok Adalats and timely execution of small cases where normal resolution is not forthcoming.

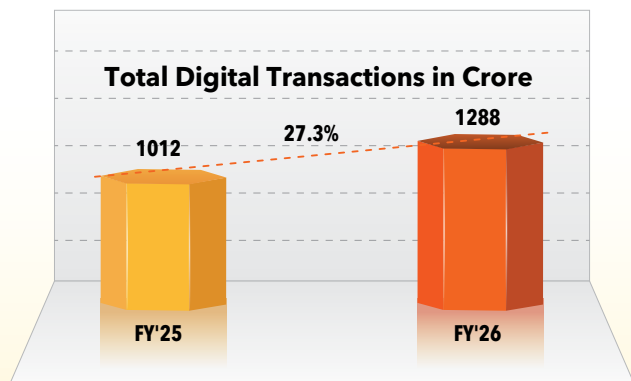
8. Further various digital initiatives taken during FY 2025-26 are as under:

a. Outsourcing agencies module on SAMARTH portal automated for End to

- End (E2E) onboarding and management of agencies.
- b. Centralized repository of BC Agents & Recovery agencies maintained and used for follow-ups
 - c. Allocation of NPA accounts to BC Agents and Recovery Agents (via., Recovery Agencies) with the help of SAMARTH portal with proper account allocation messages sent frequently.
 - d. Express OTS/Special OTS with targets of small segment NPAs in Agri & MSME with third-party support & tech advancements.
 - e. All OTS proposals are routed through SAMARTH portal with end-to-end processing, post facto scrutiny, success/fail marking and reimbursement of revenue loss.
 - f. Leveraging SARFAESI Module on SAMARTH portal for time-bound symbolic/ physical possession and auction of the property.
 - g. New e-auction platform BAANKNET with advanced integrations such as KYC, payment gateways, bank-verified property titles etc., to be effectively utilized for sale of NPA properties.

VI. GROWING DIGITALISATION

The integration of cutting-edge technology with banking services has transformed the Bank's operations. By leveraging Artificial Intelligence (AI) and analytics, the Bank



is delivering enhanced convenience and seamless experience for its customers.

Apart from the various key digital initiatives mentioned in the earlier part, the Bank during FY 2025-26, upgraded its digital facilities, introduced various new features and added new digital products in day-to-day banking operations with the aim of serving the customers with ease and convenience. These initiatives are enumerated as under:

1. **Customized Account Number Facility:** Customized A/c number facility to CASA Customer facilitates customers to select a personalized saving or current account number based on significant dates, lucky numbers or familiar patterns.
2. **Digitalization of Multicurrency World Travel Card (MCWTC) in IBS and MBS:** Presently, services for this product are being rendered to customers through branches only. The Bank, as part of EASE 7.0 agenda, has made digitalization of MCWTC, i.e., MCWTC issuance, loading, balance inquiry and addition of currencies have been facilitated through Internet Banking and Mobile Banking Solutions since 2nd January, 2026.
3. **Addition of 6 New currencies and other changes in Multicurrency World travel prepaid card:** PNB Multi-Currency World Travel Card (MCWTC) is now live with enhanced currency coverage. Customers can now Issue, load and add new wallets at branches in 12 currencies USD, EUR, GBP, AED, SGD, JPY, HKD, SEK, AUD, NZD, CHF and CAD also using retail IBS from home in 6 currencies USD, GBP, EUR, CAD, AED and SGD.
4. **Changes under Indo Nepal Remittance Scheme:** Customizations have been done in the INREMIT facility during FY 2025-26 such as Purpose code restriction to non-AD branches, SMS to remitter when remittance reaches Nepal, SMS to remitter

in case of returned remittance, Validation check of 10 characters in mobile number, Status updation in CBS as Pending/ Paid/ Returned, AML-API integration, Updation of new opened branches in Indo Nepal portal and Pop-up in case of payout mode selected as cash.

5. **Aadhaar Data Vault (ADV) Implementation:** To securely store Aadhaar numbers and related identifiers in compliance with UIDAI Aadhaar Data Vault Guidelines, ensuring no clear Aadhaar numbers are stored or used across applications outside the vault, ADV has been implemented in PNB and sponsored Regional Rural Banks (RRBs).
6. **Physical outward Mandate registration facility** has been enabled in all branches/ Regional Collection Centers (RCC) through any scanner in outward NACH and mandate management portal to provide the solution for mandate scanning through National Automated Clearing House. (NACH) outward mandate management portal itself with any scanner which is available in Branch office.
7. **API integration of CBS with TReDS authorized platforms for Inland TReDS bills module:** TReDS platform is an online platform for financing factoring of trade receivables of MSME sellers against corporate and other buyers including Government Departments and PSUs through multiple financiers. This has led to smoothening of operational process of discounting bills.
8. **Fixed Deposits (FD) and Recurring Deposits (RD) account opening at BC Location in Punjab Gramin Bank (PGB), Himachal Pradesh Gramin Bank (HPGB) and Haryana Gramin Bank (HGB):** Bank launched FD and RD account opening at BC Location in Punjab Gramin Bank (PGB), Himachal Pradesh Gramin Bank (HPGB) and Haryana Gramin Bank (HGB).

9. **E-mandate in NACH System registration in NRENRO Accounts:** Customization in E-Mandate application to allow mandate registration in NRE/ NRO accounts.

10. **Digital Onboarding of BC Agents:** Development of BC onboarding system in existing KBS Solution which facilitates a branchless banking model. It leverages banks to turn local shopkeepers and individuals into certified banking touchpoints in minutes.

11. **BASE- RRB:** Implementation of Bhaarat Aadhaar Seeding Enabler (BASE) in RRBs. BASE is a self-service digital platform launched by the NPCI for RRBs; BASE modernizes how customers manage Aadhar linking for Direct Benefit Transfer (DBT) by removing the need for physical branch visits.

VII. ANALYTICS CENTRE OF EXCELLENCE (ACOE)

The **Analytics Centre of Excellence (ACoE)** is a strategic vertical dedicated to enhancing the Bank's data capabilities through advanced dashboards, reporting, MIS support, and AI/ML-driven solutions. By spearheading digital transformation and data-led decision-making, the ACoE serves as a cornerstone for innovation, analytics and regulatory compliance. Beyond its core analytical functions, the unit manages critical applications and oversees high-stakes data submissions, including:

- **Credit Bureaus & Registries:** Credit Information Companies (CIC) Module (Bureau One), Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI), and National E-Governance Services Limited. (NeSL).
- **Regulatory Frameworks:** Risk Based Supervision (RBS), Centralised Information Management System (CIMS), and Account Aggregator ecosystems.

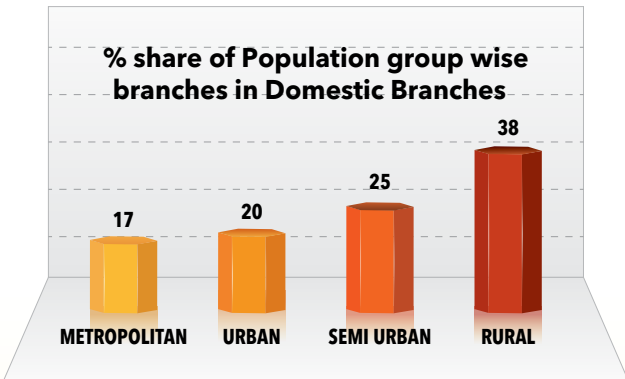
- **Internal Platforms:** PNB 360 dashboard, Enterprise-Wide Data Warehouse (EDW), and digital journey funnels.
- 1. **New Initiatives:** The ACoE division spearheaded the Bank's digital-first agenda through mission-critical infrastructure transformation:
 - a. **EDW Infrastructure Modernization:** Successfully completed the migration of the Enterprise Data Warehouse (EDW) from the legacy IIAS system (IBM Integrated Analytics System) to the IBM Power10 (IBM P10) platform. This complex transition involved ~332 TB of data across 39,794 tables, establishing a cloud-ready, containerized foundation. The new architecture incorporates 256-bit encryption, ensuring industry-leading security standards and scalability for future AI-driven requirements.
 - b. **Customized Institutional Dashboards:** Developed localized, entity-specific **MIS Dashboards** for high-profile institutional clients, including various government departments. These dashboards facilitate real-time tracking of welfare fund flows and project financing.
- 2. **New Products Launched:** Advanced analytics products were deployed to democratize data insights from the Head Office to the field level:
 - a. **PNB PRISM Portal:** Launched "**Portfolio & Relationship Intelligence for Strategic Marketing**" (PRISM), an integrated analytics hub. It provides role-based intelligence through specialized modules such as **FinTouch360+** (lead management), **Business@PinCode** (hyper-local discovery), and the **Perpetual Pipeline**.
 - b. **DTS/DSC Model:** Introduced **India's first in-house, data-driven Deposit**

and Transaction Score (DTS)/Digital Scoring Card (DSC) framework. By categorizing customers into star ratings based on transactional behavior, the model empowers branches to execute hyper-personalized retention and cross-sell strategies.

- c. **AI/ML Churn Models:** Deployed high-precision **XGBoost-based attrition models** (achieving 95%+ accuracy) for Savings and Current Accounts. These models provide proactive early warning signals, enabling field officers to mitigate customer churn effectively.
- d. **Transactional Contagion Risk Management:** Initiated a **pilot run** using **NetworkX graph analysis** to map high-value NPA accounts. By identifying interconnected stressed clusters rather than isolated defaults, the Bank is moving toward a more sophisticated, network-based approach to proactive credit risk management.

VIII. BRANCH NETWORK

1. **Domestic:** As on 31st March, 2026, the number of domestic branches was at 10,324. The population-group wise branches along-with the percentage share are given as under:



2. **International:** As on 31st March, 2026, the Bank has presence in 7 countries with 1 branch at Dubai, 1 branch at GIFT City Gujarat (caters to the international business of the bank), 2 Subsidiaries (London-UK and Bhutan),

1 Joint Venture (Nepal), 2 Representative Offices (Myanmar and Bangladesh).

IX. INTERNATIONAL BANKING

As on 31st March, 2026, the Bank has 264 Authorized Dealer (AD) branches authorized to handle Foreign Exchange Business which are routing forex transactions through 4 Trade Finance Centers (TFCs) functioning at New Delhi, Chennai, Kolkata & Mumbai. TFCs are specialized for centralized handling of trade transactions and International Service branch specializes in handling all Inward remittances.

The Bank has 1 Exchange Bureau at Indira Gandhi International Airport to facilitate encashment of Foreign Exchange currency notes by foreign tourists/NRIs.

1. Domestic Business

The Bank registered a Foreign Exchange Business Turnover of ₹1,41,709 Crores (Exports and Imports together) for the FY 2025-26.

The Bank has an International Service Branch (ISB) functioning at New Delhi for handling Inward Remittances of the Bank as a whole. During FY 2025-26, the Bank handled remittance business of ₹80,550 Crores.

The Bank has Rupee Drawing Arrangements (RDA) with 7 exchange houses (4 in the Gulf, 1 each in Singapore, UK and Seychelles) to facilitate remittance from NRIs.

The Bank also has remittance arrangement under Money Transfer Service Scheme (MTSS) with Ria Money Transfer Services Pvt. Ltd.

There is a specialized NRI cell for augmenting NRI Business, resolution of complaints and Help Desk for NRI customers.

2. Overseas Business

Overseas business of the Bank stood at ₹1,27,676 Crores as on 31st March, 2026 registering year-on-year growth of 20.6 per cent. The Bank has two international branches at DIFC Dubai & GIFT City Gandhinagar. International branches are focusing on High Quality Medium/ Long-term Assets to build a diversified loan portfolio with low Credit Risk Weight to improve profitability and remain sustainable.

Both international branches of the Bank are offering External Commercial Borrowing (ECB), Foreign Currency Term Loan (FCTL) and Trade Finance Products to Indian and Overseas customers.

3. Initiatives

- a. **Import of Gold by International Banking Units (IBU) Gift City through IIBX -** The Bank has onboarded at **India International Bullion Exchange IFSC Limited (IIBX)** for Import of gold facility at IBU Gift City w.e.f. 1st December, 2025 as Trading and Clearing member.
- b. **Facility for handling export documents without submission of Physical copy through Trade Finance Redefined Portal (IBPS):** A facility has been provided to customers, wherein, in case of direct dispatch of export documents, submission of physical copy of documents has been exempted. Similar facility for processing of import documents and other remittances without submission of physical documents has also been introduced.
- c. The new collateral free cover under ECGC's WT-ECIB product was introduced to support **collateral free export credit lending by banks up to ₹10.00 Crores**.
- d. The Bank has **Special Rupee Vostro Account (SRVA)** accounts, 9 in Myanmar and 2 in Bangladesh.

- e. **Multicurrency World Travel Card:** Bank has revamped the multicurrency World Travel Card at competitive exchange margin which offers a distinctive feature that allows multiple foreign currencies to be loaded onto a single card. The Bank currently provides this card in **12 foreign currencies viz. AED, AUD, CAD, CHF, EUR, GBP, HKD, JPY, SEK, SGD, NZD and USD.** The exchange margin offered is among the most competitive in the industry.
- f. **Digitalization of MCWTC was made live on 2nd January, 2026** through Internet Banking Solutions (IBS) and Mobile Banking wherein customers can request for card Issuance, card loading and addition of currency wallet through IBS.
- g. Dedicated email IDs eximcust@pnb.bank.in and nri@pnb.bank.in have been created for the customers for raising their grievances directly with HO for necessary resolution with respect to Forex operations and NRI business respectively.
- h. **Centralization of Inland Trade Finance:** The Bank has successfully implemented the centralization of Inland Letter of Credit (ILC) across its branch network.

X. AGENCY BUSINESS

1. Life Insurance: The Bank solicits Life Insurance Business under Corporate Agency Agreement with the following Life Insurance companies:

- PNB MetLife India Insurance Co. Ltd (PMLI)
- Life Insurance Corporation of India (LIC)

During FY 2025-26, income from commission stood at ₹333.60 Crores against ₹358.45 Crores during FY 2024-25.

2. Non-Life Insurance: The Bank solicits Non-Life Insurance Business under Corporate Agency Agreement with following insurance companies

- The Oriental Insurance Co. Ltd. (OICL),
- Bajaj General Insurance Ltd. (BGIL),
- Cholamandalam MS General Insurance Co. Ltd. (CHOLA MS),
- Care Health Insurance Ltd. (CHIL)
- Star Health & Allied Insurance Co. Ltd. (SHICL).

During FY 2025-26, income from commission was ₹94.49 Crores against ₹113.86 Crores during FY 2024-25.

3. Mutual Funds: Bank is registered with Association of Mutual Funds in India. (AMFI) as a Mutual Fund Distributor with ARN code-8418. The Bank is a distributor of Mutual Fund products of the following Asset Management Companies (AMCs):

- M/s Sundaram Asset Management Company Limited
- M/s Nippon Life Asset Management Limited
- M/s UTI Asset Management Company Limited
- M/s Aditya Birla Sunlife Asset Management Company Limited
- M/s LIC Mutual Fund Asset Management Limited
- M/s DSP Investment Managers Private Limited
- M/s Franklin Templeton Asset Management (India) Private Limited

The Bank has partnered with Finwizard Technology Private Limited (FISDOM) to offer online Mutual Fund investment and Robo-Advisory services to all its customers.

During FY 2025-26, income from commission was ₹12.38 Crores against ₹11.27 Crores during FY 2024-25, registering year-on-year growth of 9.84 per cent.

4. Depository Services: The Bank offers Demat services as a Depository participant of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and trading services through tie-up with four trading channel partners such as

- SMC Global Securities Ltd.
- Geojit Investment Ltd.,
- Aditya Birla Money Ltd. and
- IDBI Capital Market & Securities Ltd.

The Bank has total 2.22 Lakh Demat and 0.97 Lakh trading accounts as on 31st March, 2026. Income earned in FY 2025-26 from Depository services is ₹6.35 Crores.

5. Application Supported by Blocked Amount (ASBA) & Dividend Payment Assignment: The Bank provides ASBA facility through mobile banking platform, internet banking platform and branches. During FY 2025-26, 603 issues were handled as against 528 in FY 2024-25. The amount blocked through ASBA was ₹77,946 Crores in FY 2025-26 against ₹73,726 Crores in FY 2024-25.

During FY 2025-26, income of ₹1.51 Crores was earned from ASBA business. The Bank handled 29 Dividend Payment Assignments of listed companies in FY 2025-26. The Bank has license to act as Banker to an Issue, Debenture Trustee and Merchant Banker.

6. New Initiatives

a. Single Journey for Demat & Trading account opening: In this functionality, Demat accounts are opened with PNB and trading account with

trading channel partner in a seamless journey. The functionality is live with M/s Aditya Birla Money Ltd, M/s SMC Global Securities Ltd and M/s Geojit Investment Ltd in both Internet Banking Services (IBS) & Mobile Banking Services (MBS).

b. Lien & trade functionality- In this facility, the customer can lien funds in their linked savings account and get buying power to enjoy hassle-free trading facility up to the amount blocked by them. The traded amount is debited from their linked account after-market hours. This facility is now live with all four trading partners-M/s Aditya Birla money Ltd, M/s SMC Global Securities Ltd, IDBI Capital & Securities Ltd and M/s Geojit Investment Ltd

c. Demat viewing on WhatsApp: Through this facility, customers can conveniently access their DEMAT-related information including statements of transactions, statements of holdings, billing statements, billing invoice details, and outstanding charges. In addition, customers can report a lost Delivery Instruction Slip (DIS) directly through the WhatsApp Banking service, ensuring enhanced convenience.

d. Revamped ASBA Services: The Bank has introduced an upgraded version of ASBA, to make applications easier and more convenient. Key features of revamped ASBA services are- Customers can link, view, or delete demat accounts through digital platforms such as Internet Banking Services (IBS) & Mobile Banking Services (MBS).

There is facility to view, modify, or cancel applications. Bidwise revision and withdrawal option is also available.

This upgraded version gives customers more flexibility and convenience while applying for Initial Public Offers (IPOs) and other issues.

XI. GOVERNMENT BUSINESS

To take a more proactive role in facilitating fund transfers from the Centre and States to beneficiaries, the Bank has an exclusive Government Business Department (GBD). It manages various functions, including pension processing and disbursement, government small savings schemes, direct and indirect tax collections, and currency chest operations. Additionally, the Bank serves as an accredited banker for nine Central Government departments and continues to strengthen its collaborations with State Governments to address their specific financial needs.

Progress under Government Business is given below:

1. The Bank is disbursing pensions of approximately 6.09 Lakh pensioners i.e. Central Government, Defense, Railways, Telecom and State Government.
2. TDS deduction of Municipal Corporation of Delhi. (MCD) Pensioners has been centralized.
3. Through active marketing, more than **49,918 Public Provident Fund (PPF), 71,110 Sukanya Samriddhi Account. (SSA) and 1,03,021 Senior Citizen Savings Accounts (SCSAs)** were opened during FY 2025-26.
4. **Online Account Opening Facility for PPF and SSA** has been implemented through digital channels, facilitating seamless, paperless and customer friendly onboarding.
5. To reduce Customer grievances **additional check for validation of SSA and PPF account number** and amount by checker

during PPF and SSA deposit transaction verification in Government Business Module (GBM) was implemented.

6. Integration with various states and collecting online and offline taxes through their Cyber Treasury Portal. Collection of VAT is being done in 19 States.
7. **Collection of taxes (Direct & Indirect)** is being done through offline and online modes on PAN India Basis. The Bank is one of the major collectors of taxes for Central & State Government.
8. **National Pension System (NPS):** All the Branches are enabled for NPS transactions. Online facilities for NPS Registration and contribution are also available through website (<https://www.pnb.bank.in/nps.html>) as well as PNB ONE App. Total number of NPS subscribers associated as on 31st March, 2026 was **1,50,506**. The Bank is also providing NPS facilities to 27 corporates under Corporate Model.
9. **NPS Vatsalya:** A saving cum pension scheme regulated and administered by the Pension Fund Regulatory and Development Authority (PFRDA) was launched for all minor citizens (age below 18 years) with minimum contribution of ₹1000/- and there is no maximum limit.
10. Facility for registration and subsequent contribution under NPS Vatsalya has been enabled in CBS w.e.f. 25th August, 2025.
11. **Currency Chest:** There is continuous monitoring of 254 Currency Chests across India. The annual income of ₹2.69 Crores against target of ₹2.00 Crores in FY 2025-26 has been generated.
12. The Annual Inspection of Currency Chests has now been automated through Internal Audit Management System (IAMS) Portal.
13. There has been an approximately 44 per cent reduction in penalties related to Currency Chests as compared to previous year.

XII. TREASURY OPERATIONS

The Bank's Gross Domestic Investments stood at ₹4,88,441 Crores as on 31st March, 2026. The Bank's Treasury generated income of ₹38,301 Crores in FY 2025-26 as compared to ₹35,014 Crores in FY 2024-25.

1. **Overview of System liquidity:** In FY 2025-26, the Indian banking system experienced a substantial expansion in liquidity, with the Reserve Bank of India (RBI) absorbing a daily average surplus of ₹1.89 Lakh Crores, a marked increase from the marginal ₹0.03 Lakh Crores recorded in FY 2024-25. This significant improvement in systemic liquidity was facilitated through a series of calibrated central bank interventions, including Open Market Operation (OMO) purchases, USD/INR buy-sell swaps, and the strategic deployment of long-term Variable Rate Repo (VRR) operations. These proactive measures were fundamentally designed to ensure the seamless transmission of the cumulative 125 basis point policy repo rate reduction across the broader financial system.
2. **Fixed Income (SLR/NSLR):** The 10 Year benchmark yield hardened by 46 bps from 6.58 per cent as on 31st March, 2025 to 7.04 per cent as on 31st March, 2026. In the first half of FY 2025-26, trajectory of 10-year benchmark witnessed significant degree of softening in line with RBI rate cut while in the latter half yields were weighed by anticipation of end of easing cycle, currency pressure and supply side pressure.

The 10-year AAA (Public Sector Undertakings (PSUs), Financial Institutions (FIs) & Banks) hardened from 7.10 per cent as on 31st March, 2025 to 7.65 per cent as on 31st March, 2026 amidst volatile FII movements and phases of liquidity deficit.

Recent geo-political turmoil has raised inflationary concerns globally. As second-round inflationary effects from supply

shocks are yet to unfold, the Regulator will keep the close watch over incoming data impacting the inflation-growth dynamics.

3. **Equity & Mutual Funds:** During FY 2025-26, the Indian equity market exhibited significant volatility, ultimately resulting in the benchmark NIFTY50 index registering an absolute decline of 5.05 per cent to close the fiscal year at 22,331.40. The market's trajectory was defined by a persistent tug-of-war between strong domestic catalysts and severe external headwinds. On the domestic front, investor sentiment was bolstered by robust macroeconomic fundamentals, a benign domestic inflation environment and structural reforms such as Good & Services Tax (GST) rate rationalization, which enhanced corporate efficiency.

However, these gains were systematically eroded by a deteriorating global geopolitical landscape, specifically the escalation of Iran-U.S. & Israel conflicts, which triggered spikes in energy costs and disrupted supply chains. Furthermore, heightened uncertainty surrounding aggressive U.S. trade tariffs prompted a "risk-off" sentiment among global investors, leading to sustained capital outflows that outweighed domestic resilience and pressured the index into negative territory by year-end.

4. **Forex:** The Indian Rupee ended FY 2025-26 at 94.83, registering a fall of 10.96 per cent against the US dollar.

The RBI adopted a more accommodative stance in FY 2025-26 to support growth, cutting the Repo rate by 125 basis points (to 5.25 per cent) and the CRR by 100 bps. This expansionary policy, while good for domestic growth, narrowed interest rate differentials with the US, making the Rupee less attractive to carry-trade investors.

The Indian Rupee's depreciation in FY 2025-26 was primarily driven by elevated

global crude oil prices and intensified geopolitical tensions in West Asia, which significantly widened the Current Account Deficit (CAD). This external pressure was compounded by a robust US Dollar and persistent Foreign Institutional Investor (FII) outflows from domestic equities, triggered by a "risk-off" global sentiment. Furthermore, a narrowing interest rate differential between the RBI and the US Federal Reserve, alongside temporary trade tariff uncertainties, exerted additional downward pressure, requiring active central bank intervention to manage the pace of the currency's decline.

XIII. CUSTOMER CARE

Customer service in modern banking has transformed into a multi-channel experience focused on building trust and loyalty. It connects banks with their clients, helping them feel secure and confident while managing their finances. Effective customer service is vital for a bank to meet clients' financial needs and maintain its reputation in a competitive market.

Recognizing its importance, the Bank prioritizes prompt and efficient customer service. To achieve this, it has well established a Grievance Redressal Policy aligned with Reserve Bank of India guidelines, ensuring timely resolution of customer issues

Additionally, the Bank has Grievance Redressal Management Portal to register complaints received from all sources. Through this system, the customer gets an immediate acknowledgement and can keep track of the complaint also. Various Channels through which Customer Grievances are received are as under:

- Contact Centres (Toll free/ Tolloed numbers)

- Internet Banking Service / Mobile Banking app / Corporate Website.
- Email at care@pnb.bank.in
- MD & CEO / Chairman/ Ministry of Finance/RBI etc.
- Department of Public Grievance such as Centralised Public Grievance Redress and Monitoring System (CPGRAM)/ Integrated Grievance Redress Mechanism (INGRAM).
- Social media such as Facebook, X, LinkedIn and other social media platforms.
- Post
- Complaints in Person at Branch Offices.

The Bank has taken the following steps to resolve the complaints lodged by the customer:

- A system generated acknowledgement SMS/e-Mail is sent to the complainant with Complaint reference number for tracking the status of complaint.
- All rejected/partially accepted complaints are escalated to Internal Ombudsman as per RBI guidelines.
- An option to "re-open" the complaint within 15 days from the date of last closure is provided in the CRM, if the complainant is not satisfied with the resolution of the complaint.
- All customer complaints lodged through various sources land at Head Office and are dealt with and closed at Head Office level only.

Customer Service Committees in all the branches and Circle Offices investigate the quality of customer service rendered and critically examine the feedback/suggestions for improvement in customer service. These committees meet once in a month when staff and the invited customers interact freely on service-related issues.

Theme Based Meetings are being conducted at monthly intervals in branches on a pre-decided date as well as themes to improve awareness among field staff about bank's products and services, and to sensitize them about issues of maximum importance.

The Bank has **state-of-the-art Primary Contact Centers** at Gurugram and Noida to provide tele-banking services to its customers on 24 x 7 x 365 basis through two leading Service Providers. The Bank has also established two Secondary Contact Centers at Dehradun and Bhopal to provide tele-banking services to its customers in 13 languages.

Regular training sessions are arranged at Call Centre for **Customer Service Agents (CSAs)** so that they can handle customers' calls properly & resolve their trivial issues by giving correct/latest information that customers require about the products/services.

For faster resolution of complaints Bank has designated Chief Customer Executive Officer (CCEO) in the rank of Deputy General Manager at ZOs and Chief Manager at COs level, whom a customer can approach for redressal of his grievance. The contact details of CCEOs have also been displayed at Bank's website.

A monthly magazine "**Customer Speaks**" is published in which selected complaints filed by customers and the action taken/ resolution provided to the complainants are also published. Appreciation letters issued by customers for the service of officials of the bank are also published in the magazine.

The Bank conducts customer satisfaction surveys and takes suitable measures based on feedback for better customer service.

During FY 2025-26, a total of 12,86,162 complaints were received, out of which 7,11,664 complaints were resolved within T+1 days of its receipt. As such, these have not been treated as complaints. Therefore, the total number of reported complaints received during the FY 2025-26 is 5,74,498. The details of complaints

received and disposed of during FY 2025-26 are as follows:

Particular	Count*
Number of complaints pending at beginning of the Year	28,855
Number of complaints received during the Year	5,74,498
Number of complaints disposed during the Year	5,96,022
Number of complaints pending at the end of the Year	7,331

**Excluding complaints which were resolved within T+1 days of its receipt.*

Initiatives undertaken for improvement in Customer Service

1. Regular interaction by Managing Director & Chief Executive Officer (CEO) and Executive Directors (EDs) with complainants, selected on a random basis at monthly interval, to assess the quality of grievance resolution.
2. In compliance of directions of Department of Telecommunication (DoT) and Telecom Regulatory Authority of India (TRAI) to help customers easily identify the nature of incoming calls and to curb spam and frauds, bank operationalized '**140xx**' series exclusively for all promotional voice calls and '**160xx**' series for all transactional and service voice calls through Call Centers.
3. **New Complaint Module in Customer Relationship Management (CRM)** solution for non- digital complaints implemented from May'25, with an objective to create a powerful tool for customer retention, creating customer value and effective complaint redressal.
4. Functionality for capturing **Customer's feedback through Branch QR code** is developed. This new functionality empowers customers to give hassle free feedback about various services received in the branch.

5. Bank **onboarded external agency** (M/S Datawise Services Pvt. Ltd) to increase the level of customer service in the branches through Incognito Visits.
6. Facility of Chat with Live Agent through Website, WhatsApp, MBS and IBS provided to customers for further enhancing customer experience.

XIV. IMPLEMENTATION OF OFFICIAL LANGUAGE

Punjab National Bank has been a pioneer in implementing Hindi as the official language and committed to comply with the directions/guidelines of the Department of Official Language, Ministry of Home Affairs, Government of India as well as the Parliamentary Committee on Official Language and the Department of Financial Services (DFS), Ministry of Finance. It has successfully achieved most of the targets for the financial year 2025-26 outlined in the annual program released by the Department of Official Language, Ministry of Home Affairs, Government of India.

The Bank received the "First" prize from the DFS, Ministry of Finance for the year 2024-25 as well as for the year 2025-26 for outstanding work in the field of Official Language Hindi in Region "A". Further, the Bank's House Magazine "PNB Pratibha" won "first" prize in the "A" Region from DFS, Ministry of Finance for the year 2025-26. Bank is convener of 27 TOLIC (Town Official Language Implementation Committee) situated in different parts of the country. Delhi Bank TOLIC won "Narakas Rajbhasha Samman" and 24 TOLICs won "Narakas Protsahan Samman" from the Department of Official Language, Ministry of Home Affairs for the year 2024-25.

During FY 2025-26, various Zonal/Circle Offices of the Bank and TOLIC received 19 Regional Official Language Awards from the Ministry of Home Affairs and in

addition to this, various offices/employees of the Bank have also received many Raj Bhasha awards from various Government institutions.

1. Actions taken and progress made in implementation of the Annual Program for Progressive Use of Hindi

- a. The Bank has a well-organized mechanism for implementation of the Official Language, which is functioning well under the supervision of the Official Language Department established at the Head Office. Official Language Department is established in all the Zonal Offices, Circle Offices and Training Centres, which implement the official language policy duly approved by the Board of Directors of the Bank in their offices, subordinate offices and branches.
- b. Awards were given to the winning offices/employees under Lala Lajpat Rai Shield Scheme, Other Incentive Schemes and Rajbhasha competitions to increase the use of Official Language Hindi in the Bank.
- c. The Bank's quarterly house magazine "**PNB Pratibha**" and half-yearly Hindi magazines of Zonal Offices and half-yearly Hindi e-magazines of Circle Offices were published regularly. Hindi books have been made available in the Libraries established at various levels.
- d. During FY 2025-26, a total of 10 Hindi books were awarded by the bank under the Original Hindi Book Writing Scheme (for working and retired staff).
- e. The Bank's exhibition was organized during **Regional Official Language (OL) Conference** and Prize Distribution function, Department of Official Language, Ministry of Home Affairs in Agartala on 20th February, 2026, which was visited by the Hon'ble Union Home

Minister and Minister of Cooperation, Shri Amit Shah.

2. Official Language Committees and their meetings

- a. Meetings of the Official Language Implementation Committee of the Head Office were held on quarterly basis under the chairmanship of the Managing Director & Chief Executive Officer.
- b. PNB is efficiently discharging the responsibility as convener of 27 Town Official Language Implementation Committees across the country. The half-yearly meetings of these committees were held regularly and Hindi competitions, Hindi workshops, Hindi seminars etc. were organized during the financial year.
- c. Quarterly meetings of the Official Language Implementation Committee were held regularly by all the offices of the Bank.

3. External Inspection/Official Language Seminar/Conference

- a. A three-day All India Official Language Conference and Review Meeting for the Official Language Officers of the Bank from 18th March, 2026 to 20th March, 2026 was organized by the Head Office in Lucknow under the chairmanship of Executive Director, Shri Amit Kumar Srivastava. At the conference, the distinguished speaker Prof. Dr. Ravikant, Lucknow University and other speakers guided the Official Language Officers. Intensive monitoring of all the offices was done through Official Language Annual Review Meetings.
- b. All India "**TOLIC chairmans' Conference**" was organized by the Head Office on 28th July, 2025 in the presence of Smt. Meenakshi Jolly, Joint Secretary-OL, Ministry of Home

Affairs, Government of India.

- c. Hindi Month was celebrated enthusiastically In the Bank from 14th September, 2025 to 13th October, 2025. Winners of Lala Lajpat Rai Shield 2024-25 were felicitated by the Managing Director and Chief Executive Officer and top executives in a program held on 15th October, 2025.
- d. Bank's work in the official language was appreciated by the third sub-committee of the Parliamentary on Official Language during the inspection of the Zonal Offices- Guwahati, Lucknow, Mumbai, Kolkata and Amritsar and circle Office- Bengaluru, Tehri, Gwalior, Noida, South Delhi, Ujjain, Bhopal and North 24 Parganas. In addition, Inspection at the Head Office, Dwarka, New Delhi was conducted by DFS, Ministry of Finance, Government of India on 16th January, 2026 in which the outstanding official language implementation and the work being done by Bank was appreciated.
- e. On the occasion of World Hindi Day, 2026, a "**Kavi Sammelan and Rajbhasha Award Distribution Program**" was organized on 14th January, 2026 under the chairmanship of MD & CEO, Shri Ashok Chandra, wherein famous poets Shri Arun Jaimini and Shri Chirag Jain were invited.

4. Progress made in the use of Hindi in Information Technology

- a. The official language module of **PNB Aarambh app** for Official Language officers was launched by the bank, through which the official language inspection of subordinate offices is digitally monitored by the Head office/ Zonal/Circle Offices and the official language activities are recorded

- digitally.
- b. A module titled '**Level of Hindi Knowledge**' is operational in HRMS to prepare a online roster of Hindi working knowledge, proficiency etc.
- c. Podcasts on the latest banking topics are released daily in Hindi and Regional Languages.
- d. The Bank's website is bilingual and the home page opens in Hindi language by default.
- e. Hindi and regional language facilities is available in ATMs of the Bank.
- f. SMS to customers are sent in their preferred language (Hindi and Regional Language).
- g. Quarterly and annual Hindi progress reports are being submitted online on the '**Rajbhasha Web Portal**' by all the Branches, Circle and Zonal offices and various Head Office verticals.
- h. Bilingual facility in CBS (Finacle) and HRMS is available **through Bilingual software Linguafy**. Further, all computers have bilingual working facility of Hindi Unicode.
- i. Mobile banking app '**PNB ONE**' stands revamped in Hindi and various Regional Languages.
- j. WhatsApp banking services are available in Hindi as well as in Regional Languages.
- k. Online Hindi courses were launched for employees on the bank's e-learning portal PNB Univ, on the basis of which employees are given marks in the **Performance Monitoring System (PMS)**.
- l. For the convenience of the customers, the forms related to various products of the bank are available online in Hindi & Regional Language.

- m. Bank application forms and sanction letters related to loan portfolio are available bilingually in Bank's loan portal.
- n. Bank's **Internet Banking Service (Retail)** is available in 9 languages (Hindi, Gujarati, Bengali, Marathi, Punjabi, Tamil, Telugu, Malayalam, English).

5. Special activities and programmes regarding the use of Hindi

- a. To encourage original Hindi writing, an all-India essay writing competition was organized on "**ESG Integration: The Future of Sustainable Banking in India**" for the staff members of the Bank during Hindi month.
- b. On 15th October, 2025, on the occasion of the Rajbhasha prize distribution ceremony, the Honorable Managing Director and Chief Executive Officer (MD&CEO) released the "**Rajbhasha Calendar**", in which a month-wise calendar of official language related works has been given for the guidance of the Official Language Officers.
- c. Hindi training was imparted to the staff members by Head Office, Zonal Offices, circle Offices and Training Centres through Hindi workshops, Unicode training and desk training to work in Hindi on the computer and translation tool "**Bharti Bahubhashi Anuvad Sarthi**".
- d. The '**Rajbhasha Bhushan**' Shield scheme has been launched to motivate the best performing Official Language Officers in the field of Official Language implementation.
- e. '**Rajbhasha Excellence Award Scheme**' was implemented to felicitate the offices receiving awards from various Ministries/Central Government Departments.

- f. Various all India seminars were conducted on the topics-**Hindi & Indian Languages, Hindi e-Tools, Artificial Intelligence (AI) in Banks and Rajbhasha Hindi's development history and prospects**.

6. Bilingual status of circulars/forms/other documents

- a. The forms used by the customers are also available in Hindi and Regional Languages.
- b. To facilitate work in Hindi, the "**Standard Formats**" of routine letters/office notes pertaining to various departments are available on the e-portal of the Bank.
- c. Hindi and Regional Languages were used in publicity and promotional campaigns related to the schemes and products of the Bank.

XV. PNB'S SUBSIDIARIES AND REGIONAL RURAL BANKS

1. DOMESTIC

- a. **PNB Gilts Ltd.:** The Company posted a Profit Before Tax (PBT) of ₹241.59 Crores during FY 2025-26 vis-à-vis PBT of ₹310.95 Crores during FY 2024-25. Profit after Tax (PAT) amounted to ₹181.62 Crores during FY 2025-26 as against ₹233.03 Crores during FY 2024-25. Capital adequacy remains strong with its Capital to Risk Weighted Assets Ratio (CRAR) at 52.68 per cent as on 31st March, 2026 well above the regulatory minimum of 15 per cent for Primary Dealers (PDs).
- b. **PNB Investment Services Limited (PNBISL):** During the year ended as on 31st March, 2026, the Company registered operational (fee-based) income of ₹11.82 Crores and total income of ₹15.47 Crores as against a fee-based income of ₹10.20 Crores and total income of ₹13.72 Crores for the year ended as on 31st March, 2025.

Profit before Tax during the period ended as on 31st March, 2026 was ₹6.33 Crores as against ₹7.86 Crores during the period ended as on 31st March, 2025.

During FY 2025-26, the Company's Corporate Advisory vertical successfully completed debt syndication assignments. The year also marked significant progress in the Techno-Economic Viability (TEV) Study and the Company's Debt Resolution (Swiss Challenge) practice, with the successful execution of major debt resolution mandates. With these credentials now firmly established, the Company anticipates a growth trajectory in this business segment in FY 2026-27

During FY 2025-26, the Company experienced a decline in revenue in its Merchant Banking vertical, primarily due to the postponement of IPO listing assignments and delays in obtaining approvals from SEBI. Going forward, the Company has strengthened its Merchant Banking team through the induction of experienced professionals and has built a robust pipeline of mandates. With these strategic enhancements, the Merchant Banking vertical is well-positioned for sustained growth and improved performance in the coming periods.

Growth seen in trusteeship segment in FY 2025-26 with strong year-on-year growth of 43 per cent in Trusteeship Services revenue, significantly outperforming typical industry growth benchmarks. The increase is driven by onboarding of new security trustee and debenture trustee mandates, higher transaction volumes, and improved fee realization. The growth reflects strong business momentum and positions the business for healthy

Compounded Annual Growth Rate (CAGR) over the medium term.

Looking ahead, the Company strategically intends to develop annuity business to build resilience and ensure consistent cash flow and reduce the inherent lumpiness in our current portfolio business mix.

c. PNB Cards and Services Limited (PNBCSL):

PNBCSL, a wholly owned subsidiary of Punjab National Bank (PNB), was incorporated on 16th March, 2021 following RBI approval on 7th December, 2020. Initially focused on non-financial support services for PNB's credit card business, PNBCSL received RBI approval on 13th January 2023 to expand its services. These now include sourcing, marketing, promoting, publicizing, advertising, and soliciting deposits (Current and Savings Accounts) and retail loan products (Housing Loan, Loan against Property, Vehicle Loan, Education Loan, Personal Loan). Further, RBI vide letter dated 5th December, 2025 has accorded their approval for additional non-financial support services viz for business loans(including MSME Loans),Agriculture products (Crop loans, KCC, etc), Business Correspondent Activity, Data Entry Operations, Manpower Support Services, Regulatory Portal Support for EDPMS/IDPMS and follow up with bank empaneled recovery agencies for Retail, MSME, Agri and Business loans.

Operating across more than 130 locations with a workforce exceeding 1,500 employees, PNBCSL has facilitated housing loans worth over ₹3,036 Crores (with year-on-year growth of 150 per cent), vehicle loans exceeding ₹1,989 Crores (with year on year growth of 223 per cent), education

loan over 351 Crores (with year on year growth of 2571 per cent), Lap worth over 111 Crores and issued more than 2,40,803 credit cards (with year on year growth of 161 per cent), managed over 3,67,531 CASA accounts (with the year on year growth of 575 per cent) (33,391 current accounts and 3,34,140 saving accounts).

PNBCSL maintained its profitability trajectory, achieving a net profit after tax of ₹6.80 Crores, demonstrating its continued contribution to the Bank's success.

PNBCSL remains committed to offer high-quality services and expanding its reach to serve a broader customer base.

2. INTERNATIONAL

a. PNB International Limited (PNBIL):

Punjab National Bank (International) Limited (PNBIL) was incorporated in the United Kingdom on 13th April, 2006 and is registered with the Companies House in England & Wales. The Bank is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority to conduct banking business in the UK.

Business Performance: As on 31st March, 2026, PNBIL delivered a strong performance, demonstrating robust balance sheet growth and sustained profitability despite a challenging operating environment.

Total deposits increased significantly from ₹7,688 Crores as on 31st March, 2025 to ₹11,033 Crores as on 31st March, 2026, recording a year on year growth of 43.51 per cent. Gross Advances also exhibited healthy growth, rising from ₹8,333 Crores as on 31st March, 2025 to ₹11,310 Crores

as on 31st March, 2026, reflecting a year on year increase of 35.72 per cent.

For FY 2025-26, the Bank reported a net profit of ₹105.31 Crores under Indian Generally Accepted Accounting Principles (IGAAP) and ₹25.93 Crores under International Financial Reporting Standards (IFRS), underscoring improved operational performance and Prudential Financial management.

b. Druk PNB Bank Ltd (DPNBL): Druk PNB Bank Ltd, Bhutan, Banking Company having its corporate office at Thimphu, Bhutan. It started its operation on 27th January, 2010, in Bhutan as the country's fourth commercial Bank, with a component of both Foreign Direct Investment (FDI) and joint venture in the Banking Sector. Presently, the Bank has 9 branches and 30 ATMs spread across the country.

- **Total Deposits** of DPNBL increased from ₹2,828 Crores as on 31st March, 2025 to ₹3,056 Crores as on 31st March, 2026 i.e. YoY increase of 8.06 per cent.
- **Total Advances** of DPNBL increased from ₹2,103 Crores as on 31st March, 2025 to ₹2,364 Crores as on 31st March, 2026 i.e. YoY increase of 12.60 per cent.
- **Net Profit** increased from ₹30.41 Crores as on 31st March, 2025 to ₹58.67 Crores as on 31st March, 2026. Paid up capital of the Bank as on 31st March, 2026 is ₹168 Crores.

3. REGIONAL RURAL BANKS (RRBs): As on 31st March, 2026, there are 8 RRBs sponsored by the bank namely Bihar Gramin Bank (BGB), Patna, Haryana Gramin Bank (HGB), Rohtak; Himachal Pradesh Gramin Bank (HPGB), Mandi; Punjab Gramin Bank (PGB), Kapurthala; Assam Gramin Bank (AGB), Guwahati;

West Bengal Gramin Bank (WBGB), Berhampore; Tripura Gramin Bank (TGB), Agartala and Manipur Rural Bank (MRB), Imphal. These eight RRBs are operating in eight states namely Bihar, Haryana, Himachal Pradesh, Punjab, West Bengal, Assam, Manipur and Tripura covering 170 districts with a network of 5150 branches.

- **Total Business** of sponsored RRBs as on 31st March, 2026 is ₹2,71,259 Crores registering a YoY growth of 8.88 per cent.
- **Deposits** of RRBs are at ₹1,65,685 Crores as on 31st March, 2026. Aggregate Deposits registered a YoY growth of 7.32 per cent.
- **Advances** of the RRBs as on 31st March, 2026 stood at ₹1,05,574 Crores with a YoY growth of 11.41 per cent.

As per RBI guidelines it is mandatory for RRBs to meet the regulatory requirement of CRAR of 9 per cent. The RRBs except HPGB maintained CRAR over and above the regulatory requirement with TGB (28.58 per cent), PGB (15.89 per cent), HGB (15.64 per cent), WBGB (14.45 per cent), AGB (10.31 per cent), MRB (9.79 per cent), BGB (9.06 per cent) and HPGB (7.10 per cent). CRAR of HPGB is below the regulatory requirement at 7.10 per cent.

The sponsored RRBs have consolidated net profit of ₹1815 Crores as on 31st March, 2026 (including net loss of HPGB of ₹14.94 Crores). The consolidated Operating profit of all RRBs, stood at ₹3,585 Crores as on 31st March, 2026.

One of the RRBs, Haryana Gramin Bank is eligible for raising capital through Initial Public Offer (IPO) as per the broad guidelines issued by

Department of Financial Services (DFS).

The RRBs have cumulatively disbursed ₹7,199 Crores under Pradhan Mantri Mudra Yojana (PMMY)/MUDRA as on 31st March, 2026, achieving 75.77 per cent of targeted budget of ₹9,500 Crores for disbursement

XVI. AWARDS AND ACCOLADES

The Bank's outstanding efforts and innovations have been widely recognized, earning prestigious honors from a variety of respected platforms. These achievements reflect the Bank's commitment to excellence across several areas. Highlighted below are some of the notable awards received:

Technology:

1. SKOCH Gold Winner 2025-26 for "Perpetual Pipeline"-a framework for day-to-day lead curation in Banking Financial Services and Insurance (BFSI) Category at 106th SKOCH Awards 2026.
2. 21st IBA Banking Technology Awards 2026, runner up in FinTech & DPI Adoption and Special Mention in Financial Inclusion.
3. Honoured with the silver awards at BFSI category for innovative PNB ONE Biz Corporate Banking App at the 103rd SKOCH awards 2025.
4. Jury's Choice Award-Data Centre Category by CapitaLand and Schneider Electric in partnership with Express Computer at Excellence in Data Centre Transformation and Modernization.
5. Awarded Two Platinum and One Gold Category Awards in Infosys Finacle Innovation Awards 2025.
6. Conferred upon three awards in Large Banks Category (PSU) under different categories at 4th IBA CISO Summit 2025 in Mumbai:

- i. Cyber Security Team of the Year-Winner
 - ii. Cyber Incident Response Maturity-Winner
 - iii. Cyber Security Transformation of the Year- Runners Up
7. Secured First position at Digital Payments Awards 2023-24 under PSB category.
 8. Channel innovation-Platinum Winner-CCPS (Centralized Commission Payment System) at Finacle Innovation Award 2025.
 9. Tech-Driven Operational Excellence Award-Silver at IBEX India BFSI Tech Awards 2026.
 10. Data Innovation Awards 2026 in Sustainable Infrastructure Leader Category - by Hitachi Vantara.

Agriculture:

11. Recognized for its outstanding performance at Agriculture Infrastructure Fund (AIF) Scheme
 - 1st in Geo Tagging of sanctioned and disbursed AIF loans accounts
 - 2nd in AIF Loan Disbursement

Employee/Training & Development:

12. Golden Peacock National Training Award for the year 2025-26 under financial sector category.
13. Honored as a Happy Employer Brand 2025, reflecting our people first culture.
14. Institutional Excellence Award at Industry Academia Conference (IAC) 2026.

EASE 7.0 Awards:

15. Secured multiple positions across the themes of EASE 7.0 reforms:
 - Effective risk/fraud management, collections and recovery (Winner)

- Excellence in customer service (1st Runner Up)
- Adoption of new age technology and other advanced capabilities. (2nd Runner Up)

Miscellaneous

16. First prize in Region 'A' for the Best Implementation of Official Language was awarded by Ministry of Finance, Government of India.
17. 3rd ICC Emerging Asia Banking Awards 2025 for the following categories
 - i. Best Bank for AI/ML Implementation-Winner
 - ii. Best Bank- Runner-Up
18. Awarded First position in BFSI category at the 19th National Awards for Excellence in Cost Management 2024 organized by the Institute of Cost Accountants of India.



19. One of the Best BFSI Brands 2026 in Public Sector Bank category by ET Edge.

XVII. FUTURE BUSINESS PLAN OF THE BANK

The Bank has entered Financial Year 2026-27 with a renewed commitment toward becoming a **digital first** and a **customer service-oriented** Bank. The Bank's growth strategy is firmly anchored in digital scale, expanding the reach, inclusive development along with capitalizing on emerging business opportunities and augmenting excellence in customer service.

Focus on **Retail, Agriculture & MSME (RAM)** will continue to drive the Bank in FY 2026-27 as well. By giving adequate emphasis on RAM, the Bank is not just taking care of balance sheet growth but is actively fueling the pillars of a developed India. The Bank is planning to continue to provide the required funding to the sectors through its products and services.

Another focus area of the Bank remains **CASA Deposits**, where Bank will strive to increase its market share across all geographies. Towards this, the Bank will need to capture the customer segment in the age bracket of 18-40 years. Continued updation/modification and innovation of digital products and services will aid our actions in this direction. It will be our endeavor to retain our existing customers as well as bring in new customers into our banking fold.

The Bank will also look forward to enhancing Business growth through areas such as **Financial Supply Chain Management (FSCM), Cash Management System (CMS)** and **Credit Card**, which will better the business growth prospects of the Bank. It will also facilitate towards fee income growth and profitability.

In FY 2026-27, PNB will aim towards becoming a **digital-first institution** by laying emphasis on innovations & upgradations of the digital platforms. The Bank will continue to give attention to upgrade its monitoring ecosystem by investing in robust digital infrastructure to proactively manage risks and optimize performance. It will also help our bank **prioritize Operational Efficiency** through streamlining internal processes, leveraging technology and optimizing resource allocation.

Excellence in customer service will remain our primary differentiator. The Bank is actively integrating **GenAI and Advanced Analytics** into its operations, along with the implementation of a revamped Customer Relationship Management (CRM) platform. The Bank is optimizing **Turn Around Time (TAT)** for the grievance redressal and enhancing the **ambience within branches** to strengthen financial inclusion and consistently exceed evolving customer expectations.

The Bank has a strong workforce of more than 1,00,000 employees, which has been critical engine for all the transformations taken so far. In the FY 2026-27, the Bank will continue to focus on its Human Resources through continuous up-skilling, transparent performance appraisals, and inclusive welfare policies. The Bank will ensure fostering a **motivated and empowered team** ready to lead PNB as a globally trusted banking partner.

In alignment with the **vision of Viksit Bharat@2047**, Bank stands poised to innovate and excel, delivering long-term value to all our stakeholders. By leveraging digital transformation and customer-centric strategies, as highlighted in its future business plan, PNB aims to capture emerging business opportunities and reinforce its leadership in the banking industry.

XVIII. CHANGES IN BOARD OF DIRECTORS

1. Shri Jatinder Singh Bajaj vacated the office of Shareholder Director on 06.06.2025 pursuant to acceptance of his resignation tendered on 05.06.2025.
2. Shri Pankaj Sharma completed his tenure as Government of India (GOI) Nominee Director on 24.07.2025.
3. Shri D. Anandan was appointed as Government of India (GOI) Nominee Director w.e.f. 24.07.2025.
4. Smt. Vandana Bhagavatula was deemed elected as Shareholder Director w.e.f. 29.08.2025.
5. Shri Kalyan Kumar vacated the office of Executive Director on 30.09.2025 upon his appointment as Managing Director and Chief Executive Officer of Central Bank of India.
6. Shri K. G. Ananthakrishnan, Part-time Non-official Director cum Non-Executive Chairman, completed his tenure on 06.11.2025.
7. Shri Amit Kumar Srivastava was appointed as Executive Director w.e.f. 24.11.2025.

XIX. PERFORMANCE EVALUATION OF THE BOARD OF DIRECTORS

The performance of the Board and Committees of the Board for FY 2024-25 was evaluated by M/s Deloitte Touche Tohmatsu India Limited Liability Partnership (LLP) (onboarded through Request for Proposal (RFP)), and final report submitted by M/s Deloitte was accepted by the Board during its meeting held on 29th July, 2025. As per the report, the overall Effectiveness Index of the Board was 85.72 on a 100-point effectiveness scale wherein Board dynamics scored the

highest (i.e. 89.44) and Board operations scored marginally low (83.84). The Board composition and structure scored 85.32 while Governance Responsibilities of the Board scored 85.00.

XX. SECRETARIAL AUDIT REPORT

The Secretarial Auditor in its Report has made observations with respect to (i) vacancies of Directors under section 9(3) (e), (f), (g) and (h) of Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 on the Board of the Bank (ii) non-compliance of Regulation 17(1) of SEBI LODR Regulations, 2015, composition of Board of Directors, Nomination and Remuneration Committee and Chairmanship of Meeting of Risk Management Committee of Board and Audit Committee of Board and (iii) non-disclosure of performance evaluation criteria for independent directors in the Annual Report.

XXI. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that in the preparation of the annual accounts for the year ended 31st March, 2026:

1. The applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
2. The accounting policies, framed in accordance with the guidelines of the Reserve Bank of India, were consistently applied;
3. Reasonable and prudent judgment and estimates were made so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the profit of the Bank for the year ended 31st March, 2026.
4. Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance

with the provisions of applicable laws governing banks in India, and;

5. The accounts have been prepared based on the principle of **"going concern"**.

XXII. ACKNOWLEDGEMENT

The Board of Directors extends its heartfelt gratitude to the shareholders, valued customers, well-wishers, and all other stakeholders for their continued goodwill, trust, and support.

The Board of Directors extends its sincere appreciation to the Government of India (GOI) for its continuous guidance and support, which has been instrumental in the Bank's effective functioning. The Board also expresses its gratitude to the Reserve Bank of India (RBI) for its regulatory oversight and valuable direction, as well as to the Securities & Exchange Board of India (SEBI) for its assistance in ensuring compliance with securities regulations.

The Board expresses its gratitude to the Statutory Central Auditors (SCAs) of the Bank for their guidance and oversight, which have greatly contributed to upholding the highest standards of financial integrity and governance throughout the year.

The Board also places on record its appreciation for the valuable contribution made by the members of the Bank's staff at all levels and is looking forward to their continued involvement in achieving the future goals.

For and on behalf of Board of Directors

Ashok Chandra
Managing Director & CEO

Collaborating
to build a
Viksit Bharat

MANAGEMENT DISCUSSION AND ANALYSIS



MANAGEMENT DISCUSSION & ANALYSIS

I. INDUSTRY STRUCTURE & DEVELOPMENTS

Global Economy

The global economy has been marked by rising uncertainty in the past 5-6 years due to successive shocks. In 2025, the global economy faced trade tariffs, fragmentation and geopolitical tensions, yet demonstrated resilience by registering annual growth of 3.4 per cent¹, higher than the earlier projection of 3.2 per cent. While global manufacturing struggled due to weak external demand and high energy costs, the Services sector remained the global growth engine, fuelled by post-pandemic travel and the rapid scaling of Artificial Intelligence (AI) related professional services.

The global economic recovery experienced another setback in February 2026 as US and Israel attacked Iran and conflict spread across West Asia. The event has introduced profound uncertainty and disrupted global trade routes and energy supplies due to blockade of Strait of Hormuz. This has led to significant rise in energy prices and freight cost that is severely impacting economies around the globe.

The most immediate impact of this geopolitical instability is the stalling of the global "disinflation" process. After years of central banks efforts to bring prices down, the IMF warns that the war has triggered a new wave of pressure, with global headline inflation expected to rise to 4.4 per cent in 2026, from earlier projections of 3.8 per cent. This spike is largely attributed to an anticipated 19 per cent jump in energy prices. If the conflict escalates further,

particularly if it threatens the Strait of Hormuz or critical energy infrastructure in the Middle East, the world could face its most severe energy crisis in modern history, as per IMF.

The global economy is once again facing the threat of stagflation due to supply chain disruptions. Under such circumstances, central banks may be required to raise the interest rates, thereby exerting additional pressure on households and businesses already grappling with rising living costs.

Amid the ongoing conflict, the **International Monetary Fund (IMF) projects the world economic growth to slow down to 3.1 per cent in 2026 and marginally recover to 3.2 per cent in 2027**, but significantly slower than the 3.4 per cent yearly Gross Domestic Product (GDP) growth in 2025.

Economic fortunes across the globe are becoming increasingly divergent because of these pressures. Emerging markets and developing nations are bearing the brunt of the heightened volatility, with growth projections for these regions downgraded to **3.9 per cent in 2026 from 4.4 per cent in 2025**.

In contrast, advanced economies like the United States have shown relative resilience, maintaining a growth forecast of 2.3 per cent in 2026, higher than 2.1 per cent in 2025. Though even there, the return to inflation targets is expected to be slower. The Eurozone remains in a precarious position, hampered by high energy costs and modest growth forecast of only 1.1 per cent in 2026, lower than 1.4 per cent GDP growth in 2025. Amidst this uneven landscape, India continues to stand out as a notable exception, maintaining fastest growth rate compared to its regional peers.

Apart from geopolitical tensions, other factors weighing on global economic

prospects are protectionist trade policies adoption by countries, elevated public debt in several major economies and increasing environmental and demographic pressures.

Going forward, there is need for agile policy-making and stronger international cooperation to effectively navigate these global challenges.

Indian Economy

Amid a global landscape marked by uncertainty and volatility, the Indian economy continues to remain a compelling story of resilience. While many major economies are facing recessionary concerns, India continues to be the fastest-growing major economy, supported by strong domestic fundamentals and strategic trade realignments.

India enters FY 2026-27 with strong momentum, having recorded an impressive growth rate of 7.6 per cent in the previous year (FY 2025-26)². For the current FY 2026-27, major institutions have slightly moderated their forecasts to account for global volatility. The Reserve Bank of India (RBI) projects GDP growth at 6.9 per cent, while the IMF and World Bank have pegged it at 6.5 per cent and 6.6 per cent respectively.

Several internal factors such as Robust Private Consumption, Demographic Dividend, Public Capital Expenditure (Capex) Boom, Strong Financial Sector, India's Digital Public Infrastructure, Surge in Private Investments are acting as "**growth drivers**" to sustain India's economic performance. Strong domestic consumption through high household demand continues to be the bedrock of economy. Rising rural incomes, supported by robust agricultural performance and improving urban demand are broadening the consumption base. Rationalization

of Goods and Service Tax (GST) rates in September 2025 and income tax relaxation announced in the Union Budget of 2025-26, accompanied with low inflation and interest rates provided a boost to consumer spending.

Public capital expenditure continues to be another key growth driver. There is a 9 per cent yearly rise in the Capex budget of Government of India at Rs.12.2 lakh crores for FY2026-27, acting as a force multiplier for infrastructure, high-speed rail corridors, and logistics. The Economic Survey notes that investment-led growth is gaining traction, strengthening medium-term capacity.

India's agricultural sector has displayed resilience, maintaining a steady growth trajectory largely propelled by the allied sector. Although traditional food grain production has seen consistent gains in recent years, higher-value segments, including livestock, fisheries, and horticulture are now playing a transformative role. These allied industries have become central to enhancing rural income opportunities and ensuring long-term economic stability for farm households.

The services sector, especially IT, Business Services, and Global Capability Centres (GCCs) remains a major growth engine. Services exports have been expanding strongly, supported by digitalization, AI driven solutions and global outsourcing trends.

Manufacturing sector has got boost from government initiatives such as Production Linked Incentive (PLI) scheme, the revamped Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme and global supply chain diversification (China+1 strategy). India is increasingly positioning itself

¹ As per IMF's World Economic Outlook, Apr'26

² As per Second Advance Estimates of NSO, MoSPI

as a manufacturing hub in electronics, pharmaceuticals and defence. A significant tailwind has also emerged from a drastic reduction in U.S. tariffs on Indian goods (falling from 50 per cent to 10 per cent). This has positioned India as a primary alternative in global supply chains, boosting merchandise exports despite higher freight costs.

Further, the Union Budget 2026-27 aggressively pushes for high-tech domestic manufacturing through major allocations like the ₹40,000 crore Electronics Components Manufacturing Scheme, the launch of India Semiconductor Mission (ISM) 2.0, and the ₹10,000 crore Biopharma SHAKTI initiative. Concurrently, the budget prioritizes the formalization and liquidity of small businesses through an ₹10,000 crore SME Growth Fund and expanded invoice discounting via Trade Receivables Discounting System (TReDS). By managing this massive developmental push while systematically lowering the fiscal deficit target to 4.3 per cent of GDP and reducing the debt-to-GDP ratio to 55.6 per cent, the budget ensures long-term macroeconomic stability and crowds in private investment.

During FY 2025-26, inflation remained subdued and consistently stayed below the RBI's medium-term target of 4 per cent, with inflation even dipping below the RBI's lower tolerance band of 2 per cent in certain months. In October 2025, inflation touched a historic low of 0.25 per cent. This disinflationary trend was primarily driven by a sharp correction in food prices, benign fuel cost trends, and GST relief measures announced by the Government.

By March 2026, retail inflation increased to 3.4 per cent, driven mainly by a sharp uptick in food prices. The RBI expects inflation to average 4.6 per cent during the current year. Rising energy prices and the possible impact of El Niño conditions

on the southwest monsoon may further elevate inflationary pressures in the coming months.

India's trade scenario remained modest in FY 2025-26. The cumulative exports during FY 2025-26 is estimated at \$860.09 Billion, as compared to \$825.26 Billion in FY 2024-25, an estimated yearly growth of 4.22 per cent. Electronics, Engineering Goods, and Pharmaceuticals along with the Service Sector remained the major growth driver of exports.

Cumulative imports during the same period increased from \$919.92 Billion to \$979.40 Billion, registering annual growth of 6.47 per cent, primarily driven by increased imports of precious metals (gold and silver) and critical electronic components. Consequently, the trade deficit widened to \$119.30 Billion.

In current FY, merchandise exports may be severely impacted from disruptions to key shipping routes and surge in freight and insurance costs if the conflict persists.

While the engines of economic growth keep propelling India's development, this progress is met with challenges on several fronts.

India's economic development is not entirely insulated from prevailing global challenges. India remains vulnerable to slowing global growth, weak export demand and trade fragmentation as it will impact export momentum.

As a major energy importer, India is highly sensitive to price shocks erupting from Middle East, consequent to blockade of Strait of Hormuz and damage to energy infrastructure. Crude oil prices (Brent/WTI Crude) hovering in the range of \$86 - \$113 a barrel, pose a direct threat to the fiscal deficit and household disposable income. Higher input costs associated with increase

in energy prices and international freight and insurance costs along with supply chain disruptions could constraints availability of key inputs for the downstream sectors, thus impairing growth and causing inflation. The Gulf region is an important destination for India's exports and major source of remittance. Consequently, Rupee is under pressure due to combined effects of rising oil prices, short term capital outflows and strengthening of dollar which can adversely affect capital flows and import costs.

On the domestic front, the agriculture sector faces significant structural challenges, including fragmented landholdings, constrained access to irrigation and high-quality inputs, limited mechanization and investment, as well as stagnant yields across various crops and regions. These issues continue to restrict productivity improvements and farmer incomes. Additionally, El Niño conditions predicted for this year are expected to result in a below-normal Southwest monsoon, which may affect food production and rural incomes.

Job creation is another major challenge that the economy faces, especially with the large adoption of Artificial Intelligence. There is a growing concern that AI will decouple GDP growth from employment growth. AI allows companies to scale operations and increase productivity without a proportional increase in headcount. For a nation adding millions of youth to the workforce annually, this creates a risk where the economy grows but the number of available "quality" jobs remains stagnant.

India's economic outlook for FY 2026-27 is one of guarded optimism. The nation has successfully leveraged its large domestic market and shifting global trade alliances to buffer itself against a world in turmoil.

While the "war-induced" energy stall and global supply chain disruptions are real threats, India's robust domestic demand, financial systems and manufacturing momentum suggest it will remain the global economy's primary bright spot. The challenge for policymakers this year will be to manage the inflation-growth trade-off while ensuring that the benefits of the "AI-driven" productivity boom are felt across both rural and urban landscapes.

In essence, India stands at a critical juncture: with the right policy mix, focused on reforms, infrastructure, and human capital, it has the potential to consolidate its position as a leading global economic powerhouse and realize its vision of becoming a developed economy by 2047.

Indian Banking Sector

The Indian banking sector in FY 2026-27 stands as a pillar of the nation's dynamic economic growth trajectory. Following years of aggressive deleveraging and regulatory tightening by the Reserve Bank of India (RBI), the sector has entered a "**Goldilocks**" phase, balancing robust credit demand with historically low levels of stressed assets.

SCBs deposit growth came in at 13.47 per cent in FY 2025-26, the fastest pace since May 2024³,

as households and institutions moved money into safer avenues after a turbulent spell in financial markets. A sharp correction in equities, volatility in gold and silver, and losses in several mutual fund categories pushed investors towards the relative stability of bank deposits and bonds. This flight to safety lifted system liquidity and pushed absolute deposits to an all-time high, rising to ₹262 lakh crore as on 31st March 2026.

³ As per RBI's Fortnightly data release for 31.03.2026.

Credit growth, too, accelerated to 16.08 per cent (₹213 lakh crore) in FY 2025-26³, its strongest since June 2024, driven by a decisive shift in borrowing patterns. With yields rising and the rupee's depreciation making overseas borrowing more expensive, corporates slowed or postponed their capital-market issuances, both domestic and offshore and turned to banks instead. The shift was reinforced by strong traction in retail segments, particularly gold loans and vehicle loans, with majority of banks posting double digit growth in the segment. Continued formalization of the economy and digital public infrastructure (DPI) has enabled banks to lend more confidently to the MSME sector, which is seeing steady double-digit credit growth. Further, after years of sluggishness, there are early signs of a revival in private capital expenditure (capex). Credit demand is particularly strong in infrastructure, renewable energy, and emerging sectors like defence and data centres.

In FY 2025-26, **the Indian banking sector grappled with a record-high Credit-Deposit (CD) ratio, which surged to an all-time peak of 83 per cent by March 2026⁴**. This escalation is driven by a persistent divergence where robust credit growth, hovering between 13.5 and 14.5 per cent has consistently outpaced sluggish deposit accretion of roughly 10 - 11 per cent. As households increasingly pivot their savings toward higher-yielding equity markets and mutual funds, banks are facing a structural liquidity squeeze, forcing them to bridge the funding gap through expensive certificates of deposit and short-term market borrowings. This "funding stress" has become RBI's primary regulatory concern, as an elevated CD ratio not only thins out Banks' Net Interest Margins but also puts constraint on capacity of lenders to lend and support India's broader economic expansion.

Profitability metrics are also at cyclical highs. Scheduled Commercial Banks (SCBs) recorded a historic milestone in Q3'FY26, with quarterly net profits surpassing the Rs 1.00 lakh crore mark for the first time. Net profits rose by 10.6 per cent year-on-year (y-o-y) and 3.6 per cent sequentially, supported by double-digit growth in other income, slightly improved margins amid benign asset quality, and steady credit expansion.

Perhaps the most significant achievement of the sector is the decadal-high quality of assets. **The Gross Non-Performing Assets (GNPA) ratio of Scheduled Commercial Banks (SCBs) fell to 1.89 per cent in December 2025⁵**, a historical low. Banks have maintained high Provision Coverage Ratios (PCR), ensuring they are well-buffered against potential shocks.

Capital adequacy remains comfortable, with **Capital-to-Risk (Weighted) Assets Ratio (CRAR) of 16.91 per cent for SCBs in December' 2025⁵**, well above regulatory requirements, providing headroom for future credit expansion.

In a significant shift, the RBI cumulatively reduced the repo rate by 125 basis points since February 2025, bringing it to 5.25 per cent. While this has spurred borrowing, it has put pressure on Net Interest Margins (NIMs) of Banks as loans linked to the repo rate are repriced immediately, the deposits get repriced with a lag as and when they mature.

Banks are currently navigating a "deposit war," where the pace of deposit growth has occasionally lagged behind credit expansion, pressing lenders to continue to offer competitive rates on deposits.

The banking sector is currently undergoing a structural "tech-lift" due to digital transformation, usage of Artificial Intelligence and financial deepening.

The rapid adoption of digital public infrastructure (UPI, Aadhaar, Account Aggregator framework) is reshaping banking models, enabling cost efficiencies and expanding financial inclusion. Artificial Intelligence is no longer a buzzword but a core operational tool, widely being used for credit underwriting and lending, customer acquisitions, cyber threat detection, fraud prevention, risk & compliance etc.

Furthermore, **"Sustainable Finance"** has moved to the mainstream, with banks identifying renewable energy as the segment with prospective growth potential for FY 2026-27.



Although entering FY 2026-27 in a strong position, the Indian banking sector must navigate a complex landscape of emerging structural and macroeconomic headwinds in the coming year. A key structural issue is the credit-deposit mismatch, as deposit mobilization lags loan growth. Consequently, it prevented Banks from effectively transmitting repo rate declines to deposit pricing. The probable El-Nino

Conditions may adversely impact the farm output and incomes and may put stress on the agriculture credit portfolio. Additionally, rising exposure to unsecured retail lending has prompted regulatory caution from the RBI.

The digital race is a double-edged sword. As banks adopt AI and Machine Learning for better efficiency, hackers are matching that pace by upgrading their own digital toolkits. Because modern cyber fraud is highly tech-savvy and AI-driven, Banks can no longer afford to be reactive but must be fiercely proactive in their cybersecurity efforts.

Further, the disruption of global trade routes and energy supplies from West Asia is acting as a "supply shock" that may lead to higher delinquencies.

In conclusion, India's banking sector outlook remains structurally positive, characterized by strong balance sheets, substantial credit demand, and improving profitability. Nevertheless, managing liquidity pressures, maintaining underwriting discipline amid rapid retail credit growth, and navigating global macro uncertainties will be critical for sustaining this momentum. The sector is thus showcasing calibrated expansion and is positioning it as a key enabler of India's broader economic growth trajectory.

II. OPPORTUNITIES

As India advances toward the vision of Viksit Bharat 2047, the banking sector is expected to play a defining role in supporting the next phase of economic growth through efficient credit intermediation, capital formation, financial inclusion and technology-led transformation. With a strong domestic demand base, rising infrastructure investment, policy continuity and a resilient financial system, Indian banks are well placed to sustain growth momentum in FY 2026-27.

³ As per RBI's Fortnightly data release for 31.03.2026.

⁴ As per RBI's Fortnightly data release for 15.03.2026.

⁵ RBI's Governor Speech, April 2026 Monetary Policy

India's economic activity remained resilient during FY 2025-26 despite global uncertainties. Growth was supported by manufacturing, services, private consumption and public capital expenditure. Measures such as GST rationalisation, income tax relief, calibrated monetary easing and liquidity support by the Reserve Bank of India (RBI), including Cash Reserve Ratio (CRR) reductions and other liquidity operations, created a supportive environment for credit expansion and business activity.

The Union Budget 2026-27 is expected to further strengthen the growth outlook for the banking sector through its continued emphasis on infrastructure creation, MSME development, manufacturing competitiveness and financial sector reforms. The enhanced public capital expenditure outlay of ₹12.2 lakh crore, interest-free capex loans to States, new freight corridors, waterways, logistics infrastructure and urban development initiatives are likely to generate significant opportunities in project finance, working capital lending and ancillary sector credit. The establishment of an Infrastructure Risk Guarantee Fund for partial credit guarantees to lenders could improve bank participation in long-gestation projects while optimising capital usage.

Credit growth remained healthy during FY 2025-26. As at end-March 2026, Bank Credit grew by 16.1 per cent. In sectoral deployment of non-food credit, agriculture sector credit grew at 15.7 per cent and loans to Industry grew by 15.0 per cent⁶. Services and Personal Loans registered robust YoY growth of 19.0 per cent and 16.2 per cent respectively.

Bank credit expansion continued to be driven by retail, services, and MSME lending. Improved business sentiment, sustained infrastructure spending, and revival in private investment are expected

to further support corporate credit demand going forward. Sectors such as logistics, tourism, renewable energy, telecom, roads, railways, warehousing, and manufacturing are expected to generate significant lending opportunities.

The MSME sector continues to be a major growth engine for the banking industry.



Public Sector Banks have launched technology-enabled Credit Assessment Models based on digital footprints for MSMEs, enabling faster, objective and automated appraisal processes. Budget announcements such as the ₹10,000 crore SME Growth Fund, top-up support to the Self-Reliant India Fund, mandatory use of TReDS for Central Public Sector Enterprises (CPSE) procurement from MSMEs, Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) backed invoice discounting and integration of Government e Marketplace (GeM) with TReDS are expected to improve liquidity, formalisation and credit readiness of

small businesses. These measures should accelerate working capital finance, supply chain finance and collateral-free lending while supporting better asset quality trends.

Agriculture and Allied sectors continue to provide significant opportunities for banks. Policy focus on reservoirs, irrigation, fisheries, dairy, livestock value chains, food processing, warehousing and high-value crops is expected to support rural credit demand. However, the possibility of an El Niño weather pattern in FY 2026-27 may create uneven monsoon conditions in certain regions, potentially affecting crop yields, farm incomes and short-term repayment capacity. Moreover, improved digital penetration and analytics-based lending models can further strengthen outreach in underserved geographies.

Retail lending is likely to remain an important driver of credit growth. Demand for housing loans, vehicle loans, education finance and personal banking products is expected to be supported by urbanisation, rising incomes, changing demographics and aspirational consumption patterns. Lower risk weights proposed for prime residential mortgages, Retail, MSME exposures and Corporate SMEs under revised Basel norms may further support credit expansion.

India's digital payments ecosystem continues to be one of the strongest in the world. RBI has played a pivotal role in the development of the Unified Payments Interface (UPI). India now accounts for nearly 49 per cent of global real-time digital payment volumes⁷. UPI processed over 22 billion transactions in March 2026, reflecting the scale, convenience and trust of the platform. UPI acceptance has expanded internationally and is operational across multiple countries, with further linkages under progress.

The banking sector is witnessing rapid digital transformation through mobile banking, internet banking, Application Programming Interface (API)-led ecosystems, data analytics, artificial intelligence and paperless credit delivery models. Digitisation is improving customer convenience, reducing turnaround times, strengthening risk assessment and enabling cost-efficient delivery of banking services across urban and rural markets. As financial services become increasingly embedded into digital ecosystems, banks with strong technology capabilities are likely to gain market share and improve operating efficiency.

The next phase of digital transformation is also being driven by the Unified Lending Interface (ULI), which is expected to provide lenders with real-time digital access to borrower data and enable faster credit appraisal for small farmers, traders and micro-enterprises. This initiative can materially improve credit delivery efficiency and financial inclusion by reducing documentation barriers and turnaround times.

Further, RBI's policy and regulatory measures reflect a growth-oriented reform agenda. Key initiatives such as a Risk-Based Deposit Insurance Premium Framework, Expected Credit Loss (ECL) provisioning from April 2027, Revised Basel III Norms, Expanded Lending Limits Against Shares and Initial Public Offering (IPO) Financing, and proposals relating to Financing Mergers and Acquisitions are expected to improve capital efficiency, strengthen resilience and create new lending opportunities for banks.

III. THREATS

Despite resilient domestic fundamentals, the banking sector continues to face risks arising from global developments. The

⁶ As per RBI's Sectoral Deployment of Bank Credit data for March'2026.

⁷ As per Finance Ministry data

escalation of geopolitical tensions in West Asia has introduced fresh uncertainty and may affect India through multiple transmission channels including higher crude oil prices, elevated logistics costs, supply disruptions, volatility in global markets and pressure on remittance inflows.

India remains significantly dependent on imported energy, and prolonged disruption in West Asia may lead to sustained increases in crude oil and gas prices. Higher energy prices could adversely affect inflation, fiscal balances and the current account deficit. Input cost escalation may also compress margins for sectors such as aviation, transport, logistics, chemicals, ceramics, metals and MSMEs.

The Indian Rupee depreciated nearly 9 per cent in FY 2025-26 and continues to breach historic lows amid foreign portfolio outflows to the tune of ₹1.53 lakh crores⁸, safe-haven demand for the US Dollar and elevated global risk aversion. Rupee weakness increases imported inflation, raises hedging costs, impacts trade finance and may affect borrowers with foreign currency exposures. It can also increase costs for fuel, fertilisers, electronics and other imported inputs, thereby transmitting inflationary pressure into the broader economy.

Deposit mobilisation remains a structural challenge for the banking system. Deposit growth has lagged credit expansion in recent years, making liability management increasingly complex. Competition for low-cost CASA deposits is expected to remain intense as households diversify savings in higher yield segments such as mutual funds, equities and insurance products. Increased reliance on bulk deposits may further elevate funding costs and exert additional pressure on margins.

Although asset quality has improved materially, emerging risks persist across

certain segments such as unsecured retail credit, microfinance, exporters affected by trade disruptions, and MSMEs facing cost inflation or supply chain bottlenecks. Smaller borrowers with limited financial buffers remain more vulnerable to economic shocks.

Cybersecurity continues to be one of the most significant non-financial risks for the banking sector. Rapid digitalisation, mobile banking growth, API-based integrations, cloud adoption and increasing dependence on third-party service providers have materially expanded the threat horizon. Banks face growing exposure to AI-enabled fraud, phishing attacks, ransomware, credential theft, malware intrusions and sophisticated social engineering campaigns targeting both customers and employees.

The increasing scale of real-time digital payments and omnichannel banking platforms also heightens risks relating to service disruption, data leakage, payment fraud and reputational damage. Cyber incidents affecting critical systems can lead to operational outages, regulatory penalties, customer attrition and financial losses.

In addition, evolving regulatory expectations around customer consent architecture, data privacy, resilience testing and incident reporting require continuous investments in governance, controls, skilled manpower and advanced monitoring capabilities. As threat actors become more organised and technologically capable, cybersecurity preparedness will remain a defining priority for banking sector resilience.

IV. OUTLOOK

India's GDP growth is expected to remain among the highest globally in FY 2026-27, supported by domestic consumption, public capex, infrastructure spending,

manufacturing expansion and increasing private investments. While geopolitical uncertainties remain a risk, the underlying domestic macroeconomic environment continues to provide a favourable base for banking sector growth.

Credit growth is expected to remain in the range of 12-13 per cent in FY 2026-27, led by retail, housing, agriculture, MSME and selective corporate lending. Public Sector Banks are well positioned to benefit from this momentum owing to their extensive branch network, strong deposit franchise, trusted customer relationships and improving technology capabilities.

Deposit mobilisation will remain a key strategic focus area. Banks are expected to deepen CASA penetration, improve customer engagement through digital channels and diversify funding sources. Deposit growth is expected to be in the range of 10 - 11 per cent in the current FY. RBI's calibrated liquidity management through CRR adjustments, open market operations and other tools is expected to support orderly market conditions.

Margins may remain range-bound in the near term due to external uncertainties and competitive deposit pricing. However, operational efficiencies, technology-led productivity gains, fee income growth and treasury opportunities may provide support to profitability.

A notable positive trend has been the improvement in regulatory compliance across the banking sector. Monetary penalties imposed by the RBI on commercial banks declined by around 37 per cent during FY 2025-26 to approximately ₹19.8 crore, reflecting stronger governance standards, better adherence to KYC norms, improved operational controls and increasing regulatory discipline. This augurs well for long-term institutional credibility and risk culture.

Cybersecurity and future-ready technology are expected to remain priority themes for the sector. Banks are likely to continue strengthening enterprise-wide cyber resilience through advanced Security Operations Centres, threat intelligence platforms, continuous vulnerability assessments and AI-enabled fraud detection systems. Investments in stronger encryption standards, quantum-resistant security frameworks and real-time surveillance capabilities are expected to accelerate as digital transactions scale further.

Industry collaboration through cyber exercises, hackathons, talent development initiatives and partnerships with academic institutions is expected to support innovation in indigenous security solutions aligned with the national vision of digital trust, self-reliance and Viksit Bharat. With strong domestic fundamentals, supportive reforms, resilient institutions and rapid technological progress, the Indian banking sector is expected to remain a key driver of the nation's economic progress and will serve as a critical catalyst in propelling the nation toward its \$7 trillion economic milestone by 2030.

V. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The performance of major business segments of the Bank is analyzed below:

1. Resource Mobilization

As on 31st March, 2026, Total Deposits stood at ₹17,11,126 Crore. CASA Deposits was at ₹6,09,615 Crore as on 31st March, 2026 as against ₹5,73,543 Crore as on 31st March, 2025.

- i. Current Deposits was at ₹79,294 Crore as on 31st March, 2026.
- ii. Savings Deposits was at ₹5,30,321 Crore as on 31st March, 2026.

⁸ As per NSDL data for FY 2025-26

The share of CASA deposit to Total Domestic deposit stood at 37.00 per cent as at end of March 2026.

Deposit Mobilisation Initiatives undertaken in FY 2025-26:

a) Introduction of “PNB Kisan Savings Account Scheme”

To empower farmers and promote inclusive financial growth, Punjab National Bank has introduced the “PNB Kisan Savings Account Scheme.” This specialized savings account is designed to cater to the banking needs of the agricultural community, ensuring easy access to financial services and encouraging savings habits among farmers. The account aims to provide farmers with secure savings options while enabling them to participate in modern banking practices, by offering convenient features and Primary Healthcare services.

b) Revamping of 7 Savings Account Scheme

The Bank revamped its savings account products with attractive and innovative features for all the segments of customers viz., **Salary, Defence personnel, Minors, Youth, Farmers, Women, Pensioners and Senior Citizens** to provide a more personalized and modern banking experience to the customers. Evolving consumer expectations are being addressed through the integration of value-added benefits such as comprehensive insurance coverage, lifestyle rewards, and health-centric offerings.

Greater inclusivity is ensured for all segments, from students to senior citizens, by simplifying processes and eliminating penal charges for non-maintenance of minimum balances. These enhancements reflect the Bank’s commitment towards delivering efficient, customer-centric financial solutions and promoting long-term financial well-being.

c) Customized Account Number Facility

The Bank introduced a Customized Account Number Facility for Savings and Current Accounts to offer customers a more personalized banking experience. This initiative enables customers to choose a unique and easy-to-remember account number aligned with their personal or business identity. By moving away from standard number generation practices, the Bank offers a tailored solution that enhances brand recall for businesses and convenience for individual customers.

d) Implementation of Loyalty Rewardz for Deposit Customers

To promote long-term financial engagement and reward customer trust, PNB has launched the Loyalty Rewardz Program for deposit customers. This scheme is designed to deliver value-added benefits by rewarding regular banking activities and maintaining healthy account balances. Customers can earn points through various digital and retail transactions, which can later be redeemed for an array of lifestyle perks and merchant offers, ensuring that banking with PNB is both secure and rewarding.

e) Introduction of “Smart GIG Savings Account”

Recognizing the rise of the flexible workforce, the PNB Smart Gig Savings Account has been introduced to cater specifically to the needs of freelancers and gig workers. This specialized account offers customized financial solutions, such as flexible credit facilities and insurance protection, designed for individuals with fluctuating income streams. By simplifying account management and offering digital-first features, PNB aims to empower this emerging segment of the economy with efficient and supportive banking options.

f) Relationship Manager Program

The Relationship Manager (RM) Program was introduced to provide high-value customers with personalized banking services. Initially launched as a pilot across select zones, the program is now being scaled nationwide. This initiative is further strengthened by the Virtual Relationship Manager (VRM) model, which extends customer outreach through centralized communication and engagement. Beyond enhancing customer service and retention, the program is also designed to drive growth across CASA, lending, and third-party product portfolios.

g) Institutional Tie-ups & customized Salary Accounts

Salary Saving Scheme has been customized with tailored features as per the requirements of the several corporate and government sectors to secure salary accounts. Through strategic tie-up arrangements, the bank has successfully partnered with major entities including the Central Government, Railways, Indian Army and the State Governments of Jharkhand & Uttarakhand. The Bank’s growing institutional portfolio also includes leading organizations such as Coal India Limited, BSNL, CRPF, Railway Protection Force, Shiromani Gurudwara Parbhandhak Committee, MECL and many more.

2. Credit Deployment and Delivery

Gross Domestic Advances of the Bank stood at ₹11,92,950 Crore as on 31st March 2026 registering a YoY growth of 11.90 per cent.

Bank’s CD Ratio has improved to 73.55 per cent as on 31st March, 2026 from 71.30 per cent as on 31st March, 2025.

The Bank’s two-tier organizational structure for Corporate Credit functions as a specialized credit delivery framework

equipped with dedicated credit desks to ensure consistent and responsible lending practices.

The two-tier structure is supported through 2 Extra Large Corporate Branches (ELCBs) and 13 Large Corporate Branches (LCBs) located across different parts of the country.

The structure has been designed to meet customer expectations by augmenting three pillars viz; Customer Ecstasy, Timely delivery and Fair Lending Practices.

Fresh Corporate Sanctions with external rating ‘A’ and above formed a major part of the sanctions.

3. Retail Credit

The Bank’s retail lending segment continues to deliver steady and strong growth year-after-year. This strong momentum has been driven by improvements in the economic environment, a rising middle class, increasing urbanization, higher disposable incomes, and technological innovations facilitating product dissemination. At the macro level, a competitive market landscape has further fuelled this growth. Meanwhile, at the micro level, initiatives such as product differentiation, strategic marketing, digital channels for retail loans, specialized verticals and cross-selling opportunities have significantly contributed to the expansion of the Retail portfolio. Notably, delinquency levels have remained under control and have declined due to enhanced credit underwriting standards.

During FY 2025-26, the Bank’s Total Retail Credit portfolio grew to ₹2,80,779 crore, registering a YoY growth of 8.30 per cent. Within this, the Core Retail Credit portfolio increased to ₹2,51,729 crore, reflecting a YoY growth of 18.20 per cent.

Key segmental growth within the Core Retail Credit portfolio:

- i. Housing Loans grew to ₹1,17,053 crore from ₹1,02,657 crore (YoY growth: 14.02 per cent).
- ii. Vehicle Loans increased to ₹35,182 crore from ₹25,996 crore (YoY growth: 34.0 per cent).
- iii. Mortgage Loans increased to ₹18,144 crore from ₹16,292 crore (YoY growth: 11.36 per cent).

New Initiatives undertaken in FY 2025-26

The Bank undertook several initiatives during the year to strengthen and expand its Retail Credit business:

- **PNB Digi Journeys:** Expansion of digital loan journeys for Personal Loan, Home Loan, Education Loan, Car Loan, Digi Gold, Rooftop Solar Loan, e-OD/DL against FDR/RD, Loan against Security, Two-wheeler Loan, and digital top up loan to existing HL borrowers.
- **Education Loan Policy Modifications:** Increased nodal officers linked to Quality Higher Education Institutes under PM Vidyalaxmi scheme, with aggressive marketing and campus outreach. A unique strategy is being pursued to enhance the ticket size under the education loan scheme.
- **Loan for Rooftop Solar Systems (PM Surya Ghar Scheme):** Consistent Q-o-Q growth in sanctions and disbursements was witnessed during FY 2025-26. The Bank launched Digi Surya Ghar digital product for quick and easy credit delivery.
- **PM Surya Ghar Loan Campaign - 2025:** Bank launched "PM Surya Ghar Loan Campaign - 2025" in which it garnered ₹7,074 crore against a target of ₹17,251 crore (41 per cent achievement).



- **Monthly/Quarterly Outreach Programs:** Regular customer engagement events across zones, generating thousands of leads and significant sanction amounts.
- **Product Competitiveness:** Continued offering of attractive product features and competitive interest rates across retail asset products.
- **Focused Campaigns:** Adoption of targeted campaigns and customer outreach programs to increase the share of home loans within the retail portfolio.
- **Strengthened Partnerships:** Expanded tie-ups with car dealers, home builders, Marketing Associates (MAs), Marketing Consultants (MCs), Retail Loan Counsellors (RLCs), and increased use of property search portals to ensure a steady flow of quality retail loan leads.
- **Customer Acquisition Centers (CACs):** 57 dedicated CACs have been established across the country to source retail loan leads and forge partnerships with corporate institutions and home builders.

- **Government - Aligned Initiatives:** Launch of schemes like PNB Pradhan Mantri Awas Yojana Urban 2.0, PM Vidyalakshmi, PM Suryaghar scheme and Credit Risk Guarantee Home Loan Scheme, promoting affordable housing and education under the Government of India's sponsorship.
- **Youth-Focused Products:** Introduction of PNB Yuva Ghar, PNB Yuva Vahan, and PNB Yuva Sahyog to address the credit needs of the aspirational youth segment (aged 18-35 years).

New Products & Schemes

- **Credit Risk Guarantee Home Loan Scheme:** Introduced for low-income individuals under the EWS/LIG/MIG categories in urban and metro areas. The Credit Risk Guarantee Home Loan Scheme (CRGHLs), launched under the aegis of the "Viksit Bharat @ 2047" initiative of the Government of India, aims to enhance credit accessibility for the urban poor, including gig workers with regular income streams but limited or no documented income proof. The scheme leverages customers' digital banking and economic activity footprints to facilitate credit access.
- **PNB Guruji Student Credit Card Scheme:** A customized education loan scheme introduced for students in Jharkhand. The Guruji Student Credit Card Scheme (GSCC) is an initiative of the Government of Jharkhand aimed at providing financial assistance at concessional interest rates, backed by suitable guarantees to the Bank. The scheme enables eligible students to pursue diploma, undergraduate, postgraduate, professional, doctoral, and post-doctoral programmes at premier institutions such as IITs, IIMs,

AIIMS, NITs, XLRI, BITS, NID, IISc, and others across India. The primary objective of the scheme is to provide meritorious students with access to higher education through affordable financial assistance under reasonable terms and conditions.

- **Insta Loan Against Securities - Mutual Funds:** Quick loan facility against mutual fund holdings.
- **Approval of Builder & Under-construction Projects via CRM Portal:** Streamlined project approvals digitally. A lead tracking mechanism for approval of builders/ developers and their under-construction Projects (AHPs) is now customized in CRM and the same has been made live.
- **Revised Guidelines:** For property loans the limit is increased up to ₹2500.00 lakh. Top-up loans to existing home loan borrowers has been increased up to ₹50.00 lakh for loans in shape of overdraft and up to ₹250.00 lakh for loan in shape of Term Loan. Modifications in Digi Home Loan & Digi Car Loan have been made to make the digital journey smoother and customer friendly.

4. Priority Sector

Shouldering the responsibility of social banking, the Bank has surpassed all the Priority Sector goals this year. As per the Economic Survey 2025-26, India's agriculture sector recorded an average annual growth rate of **4.4 per cent** during the last five years. The Bank has contributed significantly towards this growth by extending financial support to the sector.

The outstanding position of Priority Sector, Agriculture and sub-sectors as on 31st March, 2026 on quarterly average basis is as under:

Achievement of National Goals

(Amount in ₹ Crore)

Outstanding Position	No. of Beneficiaries (Nos.)	31.03.2026 (Amount)*	PSL Target	% Achievement to Adjusted Net Bank Credit (ANBC)
Priority Sector Credit	77,67,085	4,55,428	40.00%	41.89%
Out of which:				
Loan to Agriculture Sector	54,31,568	1,96,683	18.00%	18.09%
Loan to Small & Marginal farmers	48,81,408	1,14,487	10.00%	10.53%
Loan to Micro enterprises	14,95,308	1,05,464	7.50%	9.70%
Loan to Weaker Sections	57,42,137	1,49,172	12.00%	13.72%
Non-Corporate Farmers	53,82,590	1,52,719	14.00%	14.05%

*Including PSLCs

Performance Highlights of FY 2025-26

- i. Credit to Priority Sector stood at ₹4,55,428 Crore as on March 2026. The percentage of Priority Sector Advances to ANBC is 41.89 per cent as against the prescribed National Goal of 40.00 per cent.
- ii. Credit to Agriculture sector stood at ₹1,96,683 Crore as on March 2026. The percentage of Agriculture Advances to ANBC is 18.09 per cent against the prescribed National Goal of 18.00 per cent.
- iii. Loans to Small/Marginal Farmers (SF/MF) stood at ₹1,14,487 Crore as on March 2026. The percentage of advances to SF/MF farmers to ANBC is 10.53 per cent as against the prescribed National Goal of 10.00 per cent.
- iv. Credit to Micro (PS) Enterprises stood at ₹1,05,464 Crore as on March 2026. The percentage of advance to Micro (PS) Enterprises to ANBC is 9.70 per cent as against the prescribed National Goal of 7.50 per cent.
- v. Advances to Weaker Section stood at

₹1,49,172 Crore as on March 2026. The achievement is 13.72 per cent as against the prescribed National goal of 12.00 per cent of ANBC.

- vi. Advances to Non-Corporate Farmers stood at ₹1,52,719 Crore as on March 2026. The achievement is 14.05 per cent as against the prescribed National goal of 14.00 per cent of ANBC.

Government of India (GoI) is launching various programmes for the benefit of farmers from time to time. The schemes like Agriculture Infrastructure Fund (AIF), Animal Husbandry Infrastructure Development Fund (AHIDF) and Pradhan Mantri Formalisation of Micro Food Processing Enterprises Scheme (PMFME) has helped Banks in targeting and financing under various activities under Farm credit and pre & post-harvest management. Since all these schemes are part of Agriculture and priority sector, these have helped in achieving Priority Sector targets also. In addition to these various other programmes like National Rural Livelihood Mission (NRLM), PM-KUSUM, etc. are also helping in increasing the Priority sector advances.

To ensure certainty of returns to the farmers through price support, promote crop diversification and improve market infrastructure, Government is focussing on investment in infrastructure facilities through Agriculture Infrastructure Fund. Up to 31st March 2026, 1,96,570 projects with aggregate sanction of ₹85,683 Crore were financed under the scheme, out of which PNB has sanctioned 6,237 projects amounting to ₹9,919 Crore.

Bank has undertaken several initiatives to boost Agriculture Business as under:

- i. **Agri. Loan against Gold Ornaments/Jewellery:** Separate Gold Loan vertical, headed by General Manager established at the Head Office. Bank diversified its Gold Loan products. Further, the Bank increased its number of authorized branches for Gold Loans. Bank will enhance its focus on advertising and publicity and on co-lending with some reputed NBFCs.
- ii. **Focus on SHG Financing:** To deepen financial inclusion, the Bank will leverage its tie-ups with State Rural Livelihoods Mission (SRLMs), Agri-FinTechs, and aggregators. This partnership ecosystem is centered on expanding fresh credit linkages, offering top-up loans to eligible SHGs, and aggressively financing beneficiaries under the Lakhpati Didi initiative. This entire growth pipeline is being underpinned by a specialized digital journey tailored for efficient SHG financing.
- iii. **Agriculture Infrastructure & Ancillary Activities:** Our agricultural credit strategy centers on financing agro-processing infrastructure, such as rice, dal, and edible oil mills and cold storage facilities while aggressively targeting farm mechanization,

custom hiring units, and animal husbandry term loans. To accelerate this growth, the Bank is actively leveraging key government schemes, prioritizing loan originations under the Agriculture Infrastructure Fund (AIF), Animal Husbandry Infrastructure Development Fund (AHIDF), and Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) schemes.

- iv. **Improved Financing under Cluster Business:** The Bank has 39 active clusters currently and it is increasing the number of clusters on continuous basis. 34 Fisheries clusters approved by the GoI is under focus area.
- v. **Leveraging Newly Launched Digital Journeys/ Other products:** Prioritizing high-impact products like Warehouse Receipt (WHR)/e - Negotiable Warehouse Receipt (NWR), cold chain storage, PM-KUSUM, and Kisan Samridhi Yojana (KSY). This portfolio expansion is being accelerated by deploying newly rolled out digital platforms, specifically Digi Shreshtha, Tractor Xpress, and Griha Vatika, to drive frictionless digital lending in rural markets.
- vi. **Other Initiatives:** The Bank is accelerating its agriculture market share through a three-pronged approach: first, Collaboration with farm machinery manufacturers and mapping of Bank Nodal/Agriculture Officers with local dealers to boost farm mechanization and improve credit outreach; second, executing localized Agri Outreach Programs to drive high-volume lead generation; and third, enforcing strict end-to-end monitoring of credit sanctions and disbursements across all credit delivery verticals (PNB Loan Points, Mid-Corporate Centres, and General Banking Branches).

5. Micro, Small and Medium Enterprises (MSME)

The MSME sector forms the backbone of our industrial sector and is an important growth engine for the economy that promotes entrepreneurship, inspires innovation and boosts employment generation.

As on 31st March 2026, credit to MSME

segment stands at ₹1,95,027 Crore, with YoY growth of 19.90 per cent. The advance to Micro and Small Enterprises stood at ₹1,61,311 Crore with outstanding in Micro segment at ₹1,01,413 Crore.

Mudra: The Bank has disbursed ₹24,553 Crore in FY 2025-26 under the Pradhan Mantri MUDRA Yojana (PMMY) as against ₹21,236 Crore in FY 2024-25.

SCHEME WISE PERFORMANCE:

1. Flagship Scheme

a) Cash Flow Based Lending (CFL) Schemes:

(Amount in ₹ Crore)

Scheme Name	Sanction as on 31.03.25		Sanction as on 31.03.26		YoY	Total O/s	NPA	per cent NPA
	No	Amt.	No	Amt.				
GST Express	17,348	12,318	18,152	18,033	46%	11,473	85	0.74%
PNB Trade Growth	12,853	4,925	26,066	11,658	137%	8,906	36	0.40%

b) Projection Based Lending Schemes:

Scheme Name	Sanction as on 31.03.25		Sanction as on 31.03.26		YoY	Total O/s	NPA	per cent NPA
	No	Amt.	No	Amt.				
MSME Prime Plus	39,594	61,875	50,767	86,465	40%	60,605	784	1.29%
PNB Sampatti	6,715	10,174	7,806	14,292	40%	10,597	60	0.57%

c) Digital Lending Scheme:

Scheme Name	Sanction as on 31.03.25		Sanction as on 31.03.26		YoY	Total O/s	NPA	per cent NPA
	No	Amt.	No	Amt.				
e-GST Express	1,025	276	1,410	414	50%	285	1.89	0.66%
Digi MSME Loan	15,328	934	57,689	3,472	272%	2,117	7.40	0.35%
E-Vishwakarma	21,152	207	28,721	281	36%	114	44.19	38.76%
e-PM Svanidhi	8,15,604	1,208	8,26,845	1,225	1%	270	42.61	15.78%
Total	8,53,109	2,625	9,14,665	5,392	105%	2,786	96.09	3.45%

2. GOVERNMENT SPONSORED SCHEMES:

a. Performance under Pradhan Mantri Mudra Yojana:

Category	FY 2024-25		FY 2025-26		YoY	O/S	NPA	NPA%
	Sanc.	Disb.	Sanc.	Disb.				
Shishu	435	431	430	428	-1%	950	477	50.00%
Kishore	7,114	6,987	9,109	8,991	22%	13,227	3,492	26.40%
Tarun	13,739	13,706	14,748	14,720	7%	20,512	2,818	14.00%
Tarun Plus	117	111	416	415	73%	248	0.85	0.34%
Total	21,405	21,236	24,703	24,553	14%	34,937	6,788	19.42%

b. Performance under another Government Sponsored Schemes:

Scheme Name	Sanction as on 31.03.25		Sanction as on 31.03.26		YoY	Total O/s	NPA	per cent NPA
	No	Amt	No	Amt				
PM SVANidhi	7,20,261	992	8,10,355	1197	20.69%	254	49.39	19.43%
PM Vishwakarma	37,689	365	42,821	416	18.78%	137	54.9	40.14%

3. **TReDS Scheme Performance:** TReDS is an institutional mechanism set up for financing of trade receivables of MSMEs from corporate and other buyers including Government Departments and Public Sector Undertakings (PSUs). Bank uses all the three platform of TReDS i.e. RXIL, M1xchange & A.Treds.

Position As on		Sanctioned A/c	O/S Amt
31.03.2025		3,358	1,629
31.03.2026		10,456	5,524

Performance in Existing MSME Schemes:

SN	Sanction	Actuals		YoY Growth %
		31.03.2025	31.03.2026	
1	MSME Prime Plus Scheme	21,015	28,191	34.15%
2	PNB Growth Plus Scheme	3,867	6,263	61.96%
3	Solar Energy Finance Scheme	255	402	57.65%
4	GST Express Scheme	3,239	3,750	15.78%
5	Sampatti Scheme	4,282	5,431	26.83%
6	Sanctions under Cluster Financing	4,325	6,160	42.43%

New Initiatives undertaken in FY 2025-26

During FY 2025-26, the Bank implemented a range of targeted strategies aimed at enhancing the MSME credit portfolio. These initiatives included strengthening outreach programs, streamlining credit appraisal processes, leveraging digital platforms for faster loan sanctions/disbursements, and expanding partnerships with various third-party vendors for quality lead generation. The concerted efforts were design to improve credit accessibility, reduce turnaround time, and support the growth and resilience of the MSME Sector.

a. Initiatives to strengthen Digital Journey:

The Digital journeys has revolutionized credit delivery by introducing a Straight Through Processing (STP) model, enabling eligible borrowers to access credit facilities digitally in just 10 minutes. The process begins when the borrower visits the portal and enters basic KYC, business details, and



GST information. The system then performs automated cross-validation using APIs from GST and Aadhaar, while extracting data from CIC and GST portals. Leveraging this information, the Business Rule Engine (BRE) analyzes the data and provides an instant in-principle sanction.

b. Launch of new Scheme "DIGI MSME PRIME":

The Bank launched a new scheme in the name of Digi MSME PRIME by subsuming the feature of PNB MSME Prime Plus scheme & e-GST EXPRESS Scheme. The enhanced DIGI MSME PRIME framework will serve as a standardized lending model for loan amounts ranging above ₹10.00 lakh to ₹10.00 crore. The scheme ensures broader eligibility, improved accuracy in credit evaluation, and a more inclusive digital lending ecosystem for MSMEs.

c. Implementation of "Collateral Support for Export Credit":

Bank has implemented Government of India, a Special Credit Guarantee Scheme titled "Collateral Support for Export Credit" for facilitating institutional export credit to eligible Micro, Small and Medium Enterprises (MSME) exporters under the Export Promotion Mission (EPM - Niryat Protsahan).

d. Revamp and realignment of e-GST Scheme:

The e-GST Express Scheme provides financing to GST - registered entities with regular return filings, with limits assessed based on GST return data. Initially capped at ₹1.00 Crore, the maximum loan limit was enhanced to ₹5.00 crore. This revision has led to increased traction, with a notable rise in large-ticket advances under the scheme.

e. MSME cluster-based Outreach Programme:

As a strategic initiative, the Bank has launched MSME Cluster Based Outreach program aimed at generating new business opportunities. This initiative will help in focusing on geographically concentrated groups of similar industries, artisans to promote collective growth, increased competitiveness, and shared infrastructure.

f. Launch of PNB Growth Plus Scheme:

The existing PNB Trade Growth Scheme has been revamped and renamed as PNB Growth Plus Scheme, incorporating key

changes to enhance its competitiveness in the current market scenario. These changes include, increase in quantum of Finance from ₹1.00 Cr to ₹2.00 Cr, Concession in ROI to Youth and Women Entrepreneur, Concession in ROI/ Processing Fee to Zero Defect Zero Effect (ZED) certified MSME Units.

g. Modification in PNB Sampatti Scheme:

Based on feedback from field functionaries, amendments have been introduced in the PNB Sampatti Scheme. These include relaxation in the Loan-to-Value ratio and flexibility in eligible property restrictions,



as per bank guidelines. The changes aim to broaden customer inclusion under the scheme and reduce turnaround time.

6. Financial Inclusion (FI)

The Bank has been the pioneer in taking initiative in the area of financial inclusion. The Bank is providing Business Correspondents (BCs) services since 2012 & implementing comprehensive Financial Inclusion Program through effective utilization of BCs in Sub-Service Area (SSA) & non SSA area. SSA is a cluster of few villages and is linked to one base branch of the Bank.

FI initiatives in FY 2025-26 are as follows:

- a. The Bank has implemented Pradhan Mantri Jan Dhan Yojana (PMJDY) and other financial inclusion initiatives through Bank branches & BCs Pan-India. Overdraft facility up to ₹10,000 in PMJDY accounts is provided to eligible account holders (age group 18-65).
- b. Biometric based e-KYC account opening and Aadhar seeding at BC Locations.
- c. Social Security Schemes (SSS), i.e. Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Atal Pension Yojana (APY) facilities, are available at BC locations, branches, as well as through Internet Banking/ Mobile Banking. The Progress of Social Security Schemes (SSS) since inception till 31st March, 2026 is as under:
 - i. **PMJJBY:** 92.74 Lakh customers enrolled.
 - ii. **PMSBY:** 351.05 Lakh customers enrolled.

iii. **APY:** 57.19 Lakh customers enrolled.

As on 31st March, 2026, Bank has 33,314 BC Agents/Bank Mitras providing basic banking services in Rural, Semi-Urban, Urban and Metro centres depending upon the requirement of the Bank. The BC Agents / Bank Mitras use PAX /Laptop /Desktop etc. for providing the banking services. At present various services like e-KYC account opening, Cash deposit, Cash withdrawal, Fund transfers, KYC updation, cheque collection, loan request initiation, PNB One Onboarding etc. are available at BC locations through Kiosk Banking Solution (KBS):

Further to enhance Financial Inclusion, Bank undertakes training activities for various fields through its training centres.

- a. **Farmers Training Centres (FTCs):** The Bank has established 12 Farmers Training Centres. FTCs provide training on agriculture & allied activities which include organic farming, fertilizer management, bee keeping, dairy farming, mushroom production, maintenance of tractor and other farm machineries, processing and preservation of fruits and vegetables, computer courses, beauty parlour, candle and soap making, papad making, making of soft toys, cutting, tailoring & embroidery, etc. These Training Centres have been equipped with the Mobile Van and LED for audio visual display of informative video clips to the farmers. During the FY 2025-26, 1,10,061 persons were trained in these centres. Out of which 52,439 were women. Since inception, FTCs have imparted training to 20,42,240 persons, including 5,08,710 were women. The Bank spent ₹1,294.71 Lakh towards this initiative during FY 2025-26.

- b. **Rural Self Employment Training Institutes (RSETIs):** There are 78 RSETIs under aegis of Ministry of Rural Development (MoRD) and 2 Rural Development Centres (PNB initiatives) operating in India which are engaged in providing training to rural population and their families for skill upgradation to undertake self-employment ventures/jobs.

During the FY 2025-26, 69,798 persons were trained at these centres, of which 61,022 belong to Below Poverty Line (BPL) families and 56,769 were women. Total number of trained candidates since inception is 7,51,746 out of which 4,12,623 were from BPL families and 5,23,350 were women.

Our RSETIs are focusing for settlement of participants by ensuring adequate credit for inclusive growth. Total settled candidates are 5,27,399 since inception. The Bank spent ₹6,175.36 Lakh on this initiative during FY 2025-26.

- c. **Financial Literacy Centres:** The Bank has 163 Financial Literacy Centers (FLCs). The Target groups of the programmes conducted by FLCs are Farmers, Self Help Groups, Micro and Small Entrepreneurs, Senior Citizens etc. Total number of seminars/programmes/camps conducted by FLCs on Financial Education, Preventive Counselling and Customer Rights from 1st April, 2025 to 31st March, 2026 is 10,810 and number of persons attended these programs are 4,17,254.



Training Program at Financial Training Centre, Vidisha



Training Program at RSETI



VI. Risks & Concerns

Risk is integral part of the Bank's business operations. The Bank is exposed to major risks namely credit risk, market risk, operational risk, liquidity risk, interest rate risk, among others and has put in place measures, policies, systems and procedures to manage and mitigate those risks. The Bank also has a reliable internal controlling environment to manage materials risks such as Reputational Risk, Strategic Risk, IT Risk, Cyber Risk, Compliance Risk, ESG Risk, Climate Risk, Conduct Risk and other Residual Risks. The Board of Directors of the Bank has constituted various Sub-Committees of Board and/or Functional Committees to look into different areas of strategic importance.

1) Credit Risk Management

The Bank has a robust Credit Risk management framework and has developed comprehensive risk scoring/rating system that serves as a single point indicator of diverse counterparty risk factors for consistent credit decision-making.

The Bank has in-house credit risk rating models for borrower risk assessment and has also developed and implemented scoring models for Retail advances, MSME and Farm sector advances credit scoring models to capture the specific characteristics of lending schemes designed for these segments.

Output of credit rating and scoring models is linked to decision making processes, including credit sanctioning, pricing, loaning powers, audit, review & monitoring of credit portfolio. The Bank has put in place several policies covering various aspects of credit risk management to ensure uniform and effective lending practices.

The Bank has launched E-Renewal Scheme, an automatic/Straight Through Process (STP) mechanism for renewal of working capital credit facilities up to a specific exposure threshold.

The Bank undertakes periodic validation exercise of its credit risk rating and scoring models to ensure their effectiveness. Migration and Default Rate Analysis are also conducted to test robustness of these models.

In line with the overarching objective of process automation and enhanced compliance, the Bank has launched various digital retail lending products targeting different customer segments. These products utilize a rule-based, system-driven underwriting mechanism, enabling automated, end-to-end or near-end-to-end loan evaluation and credit sanctioning. Separate scorecards have been developed to assess the risks for these products.

The Bank has established a separate Industry Research Desk under Credit Intelligence and Support Department (ClSD), which carries out in-house risk assessment of industries and prepares industry outlook for more than 160 industries based on calculated industry risk scores. The output of this assessment exercise is translated into Industry Handout which presents executive summary and insights into key industry risk parameters. In addition, quarterly trends categorized as 'Up', 'Stable', and 'Down' are also provided by encapsulating significant developments across industries during the quarter.

These processes help achieve quicker and more accurate credit delivery and monitoring, bring uniformity in appraisal, and facilitate effective storage and analysis of data.

2) Market Risk and Asset Liability Management

The Bank has established a well-defined organizational structure for Market Risk Management, which oversees the comprehensive management of risks such as interest rate risk, equity price risk, and foreign exchange risk, while implementing methodologies for measuring and monitoring these risks to maintain a healthy and liquid investment portfolio. The investment policy incorporates robust methodologies for the measurement, monitoring, and control of these risks.

An independent Mid Office for Treasury Operations is already functional with a distinct reporting line to Group Chief Risk Officer (GCRO) to ensure independence from Front Office Treasury Operations. Further, the Market Risk Management Committee (MRMC) a functional committee of the Bank is constituted to oversee the overall framework for market risk management. The committee reviews risk exposures and adherence to approved regulatory and internal limits, thereby ensuring prudent and proactive management of market risk.

The Mid Office monitors various risk positions through statistical tools like VaR, stress testing, and sensitivity analysis, including Modified Duration, PV01, exposure limit etc. to ensure effectively management of the Investment portfolio.

For Overseas operations, risk limits like VaR, NOOP, AGL, Interbank Investment Limit, Exposure Limits etc. are continuously monitored by the Mid Office. To strengthen monitoring and make it more system-driven, tools and limits have been integrated and automated within the Finacle Treasury Application for better monitoring and management of market risks. Further, to capture the impact of exposure risk across different countries, Country Risk Premium

has been incorporated into the pricing structure for effective risk-based pricing.

3) Operational Risk Management and IT Risk

Bank has in place a well-defined Governance structure, Operational Risk Management Committee (ORMC) and policies/frameworks for effective management of Operational Risk in the Bank.

The Bank identifies, measures, monitors and mitigate/control Operational Risk using various risk management tools viz. Internal/External Operational Risk Loss Data, Incidents/Near Miss Events, Risk & Control Self-Assessment Surveys (RCSA Surveys), Risk Indicators (RI)/Key Risk Indicators (KRIs), Assessment of Money Laundering & Terrorist Financing Risk and Scenario Analysis.

The Bank has a robust mechanism in place for approval of new product/service/process/activity/system and modification in existing ones including assessment of inherent and residual risk.

The Bank has also established a comprehensive Business Continuity Management (BCM) and Operational Resilience (OR) Policy outlining the provisions to ensure uninterrupted delivery of critical business services during disruption, including governance structure. In addition, the Bank's operational resilience is underpinned by dynamically updated Business Continuity Plans (BCPs) across all critical software applications. This proactive framework mitigates any adverse impacts on the Bank's financial health, customer service continuity, operations, market reputation, and regulatory compliance arising from any unforeseen disruptions. The operational resilience of the Bank is steered/reviewed by Business Continuity & Operational Resilience (BCORE) Committee, headed by Executive Director.

The Bank has online SAS Operational Risk Solution to take care of various aspects of data capturing such as Loss Data, Risk & Control Self-Assessment (RCSA), Incident Reporting etc. and Management Information System (MIS) at various levels for effective management of Operational Risk across the Bank.

The Bank has in place a comprehensive IT and Information Security Risk Management Framework to identify, assess, monitor and mitigate IT risk. Further, AI and ML Governance and Risk Management Framework is in place to address the risks associated with AI & ML in the Bank. A well-defined Incident Escalation Matrix is also in place to enable internal oversight, facilitate effective response mechanisms. To effectively manage IT risk, the Bank deploys a comprehensive lifecycle of identification, measurement, monitoring, and mitigation. Key operational activities include regular risk assessments of critical applications and the active monitoring of systemic Risk Indicators (RIs) and Key Risk Indicators (KRIs).

The Bank has also initiated incident Reporting, wherein, any employee of the Bank can report the gaps observed in any product/service/process/activity/system as well as any near miss event. An escalation matrix has also been defined for disposal of reported incidents.

Underpinned by a comprehensive 'Third-Party Risk Management Policy,' the Bank governs all vendor relationships across a strict end-to-end lifecycle (Onboarding, Ongoing, and Offboarding). This framework ensures proactive risk identification and mitigation at every stage. Relationships are continuously evaluated based on service criticality and risk profiles, effectively safeguarding operational resilience, ensuring regulatory compliance, and strengthening customer trust.

4) Internal Capital Adequacy Assessment Process (ICAAP) & Stress Testing

The Bank maintains a robust Internal Capital Adequacy Assessment Process (ICAAP) policy, which is subject to an annual review. The ICAAP document is presented to the Board on a semi-annual basis. The ICAAP involves evaluating capital requirements under both normal and stressed conditions, assessing risks in accordance with both Pillar I and Pillar II of the regulatory framework, and providing a comprehensive view of the various risks to which the Bank is exposed. The Bank identifies and evaluates all material Pillar II risks it is exposed to and ensures capital is allocated, wherever necessary, to address these risks appropriately. The risk management processes are thoroughly outlined in the ICAAP document, which is prepared on both a solo and consolidated basis at the group level.

The Bank also has put in place comprehensive Policy on Stress Testing to identify the vulnerabilities and assess capital/liquidity requirements under adverse but plausible scenarios. Stress tests are conducted across whole gamut of risks namely Credit risk, Market risk, Operational risk, Concentration risk, Interest Rate Risk in the Banking Book (IRRBB), Liquidity risk, Country risk, Group risk, Pension Obligation risk, etc. on a regular basis. Impacts estimated in stress testing exercise serves as an input in capital planning exercise of the Bank. Funding requirements under liquidity stress scenarios are also used for setting objectives of Contingency funding plans.

5) Risk Appetite Framework

The Bank has a comprehensive Risk Appetite Framework in place. The Framework sets out the Risk Appetite Statement along with governance and monitoring mechanism for its effective implementation within the Bank. Risk

Appetite has been defined in terms of different key risk parameters along with the Risk limit and Risk threshold level for each parameter. Actual risk levels are monitored against the approved limits on an ongoing basis.

6) Risk and Compliance Culture

A strong risk and compliance culture is fundamental to our operations and ensures the safety and soundness of our business. To continually assess and enhance this culture, the Bank conducts periodical employee surveys to evaluate awareness and engagement with risk and compliance practices. The results of these surveys are analyzed, and action plans are developed to address any gaps and strengthen our approach. Our comprehensive training programs and an incentive/disincentive framework aligned with our risk appetite, help ensure adherence to our risk management principles.

A dedicated, Board-approved policy underpins the commitment to maintaining a robust risk and compliance framework. Additionally, the Bank celebrates Risk and Compliance Awareness Day on 2nd May each year, further reinforcing our dedication to fostering a culture of responsibility and vigilance.

This proactive approach not only mitigates risks but also enhances customer trust, ensuring that our clients experience secure and reliable banking services built on a foundation of transparency and accountability.

7) Group Risk

Risk Management at Group Level is to manage the risks of the Bank as part of the group and assess the potential impact of other group entities on the overall risk profile of the Bank. The Bank has group risk

governance framework/structure which is based on pyramid approach, starting with Group Risk Policy at top and progressing through risk appetite, governance, processes and risk reporting. The Bank has formed a Group Risk Management Committee for effective management of group risk. The Bank has a strong Group Risk oversight of all the group entities, including the group risk assessment of Subsidiaries, Associates and Joint Venture (JVs), Impact of stress testing of subsidiaries and overseas branches on consolidated level, Liquidity Risk Management through Group Liquidity Coverage Ratio (LCR), Consolidated Prudential Report (CPR), Prudential limit and Contingency Funding Plan (CFP). Further Group ICAAP is prepared to assess the various risks (both Pillar I and Pillar II) the group is exposed to, mitigation of these risks and to arrive at an internally computed level of capital adequacy consistent with these risks.

8) Climate Risk

Climate-related risks refer to the potential challenges that may arise from climate change or from the measures undertaken to mitigate its effects, along with the resulting economic and financial consequences. These risks can impact the financial sector primarily through two channels—physical risks and transition risks.

Physical risks encompass the economic costs and financial losses resulting from the increasing frequency and severity of extreme weather events, gradual long-term shifts in climate, and indirect effects such as the degradation of ecosystem services. Transition risks, on the other hand, emerge from the transition towards a low-carbon economy, including changes in policy, legal frameworks, technology, and market dynamics.

To accelerate efforts in this critical area, the Bank has in place a dedicated

Climate Risk Management Cell, tasked with implementing a structured plan focusing on four strategic areas: Net Zero ambition, Risk Management, Operational Integration, and Climate Risk Governance. To strengthen oversight and coordination of sustainability initiatives, the Bank has also constituted a Sustainability and Resilience Committee (SARC).

Furthermore, the Bank has adopted a Green Deposit Policy. It has also established a Financing Framework for Green, Social, and Sustainability-Linked Activities/Projects, which has undergone an external review, along with a Green Bond issuance Framework to support its sustainable financing objectives.

The Bank has significantly enhanced its internal capabilities for managing climate-related risks. A comprehensive physical risk assessment has been conducted across the lending portfolio to evaluate the vulnerability of underlying assets. In parallel, a transition risk assessment of borrowers has been carried out by capturing their carbon emissions data, including Scope 1 and Scope 2 emissions.

The Bank has implemented a robust Greenhouse Gas (GHG) measurement framework based on the internationally accepted GHG Protocol, along with a methodology for calculating financed emissions in alignment with the Partnership for Carbon Accounting Financials (PCAF) standards. Further, the Bank is PCAF signatory since November'2024. In addition, a qualitative climate risk strategy has been formulated, by incorporating global best practices in climate risk management.

In line with global standards, the Bank has introduced a dedicated Climate Risk Management Policy that incorporates the four pillars outlined by the Task Force

on Climate-related Financial Disclosures (TCFD)—Governance, Strategy, Risk Management, and Metrics & Targets.

As part of its borrower support strategy, the Bank has also developed a structured client engagement approach to assist in their decarbonisation journey. In the first phase of this initiative, the Bank released a Client Engagement Handbook designed to equip credit officers with practical tools and insights to help borrowers better understand climate-related requirements and adopt actionable sustainability measures.

Bank has published its inaugural Sustainability report 2025 on its website marking an important step in its Climate/ESG journey. The Bank has set a Net Zero target year of FY2031 for Scope 1 and Scope 2 emissions, and a Net Zero target year of 2060 for Scope 1, Scope 2, and Scope 3 emissions.

The Bank is participating in the RBI Regulatory Sandbox initiative to integrate climate risk into credit risk assessment, with a specific focus on the home loan portfolio.

Further, the Bank has onboarded Knowledge partner to support emissions calculation and automation, deployment of the tool for climate-related dashboards, climate risk assessment and stress testing, exploration of sustainable finance opportunities, preparation of the Bank's sustainability report, overall ESG reporting, and consultancy support for developing a granular roadmap towards achieving the Bank's Net Zero commitments.

Despite these advancements, the Bank continues to face challenges, such as limited availability of India-specific data, absence of a standardized Indian taxonomy for green activities, and insufficient

evidence regarding the commercial viability and returns potential of emerging green sectors. Nevertheless, the Bank remains committed to addressing these constraints while advancing its climate risk management agenda.

Regulatory Guidelines

The Bank has adopted Standardized Approach for Credit Risk, Standardized Duration Approach for Market Risk and Basic Indicator Approach for Operational Risk for computation of Risk Weighted Assets (RWA) under Basel III norms.

The Bank also plans to migrate to advanced approaches for computation of RWA/Capital charge for Credit, Market and Operational Risks subject to approval from the regulator. The Bank is calculating capital and RWA as per Foundation Internal Ratings Based (FIRB) to RBI on quarterly basis. The Bank has submitted a formal Letter of Intent for adoption of Advanced Internal Rating Based (AIRB) Approach for Credit Risk and Internal Models Approach (IMA) for Market risk.

The Bank is calculating Expected Credit Loss (ECL) as per Indian Accounting Standard (Ind AS)-109 on quarterly basis and the results are submitted to RBI in prescribed Proforma on half-yearly basis. Further, Bank is in process of automating the entire ECL calculation and reports through vendor-based solution.

The Bank has developed Risk Adjusted Return on Capital (RAROC) framework which provides the Bank with a single scale for comparing the return on capital for a credit proposal to enable credit decisions. The framework helps in assessing whether returns generated by the business proposition are commensurate with the risk perceived, thereby maximizing the value of shareholder's equity.

New Initiatives undertaken during FY 2025-26 are as under: -

1. Operational Risk and IT Risk Management

- AI and ML Governance and Risk Management framework is a structured approach for identifying, assessing, and managing the various risks associated with the use of AI and Gen AI within the Bank. It provides a systematic way to understand, prioritize, and mitigate risks to ensure the security, reliability, and resilience of AI and ML.
- Revamping of IT Risk Scorecard: The IT Risk Scorecard has been comprehensively revamped. Scope has been expanded to all applications and information assets, with emphasis on critical and significantly important applications.
- Risk Indicator/Key Risk Indicator (RI/KRIs) related to IT & Cyber Security are identified and reviewed to observe, monitor, and oversee IT and Information Security risk.
- To assess IT risks before conceptualizing or approving new or updated products or processes, a standard Risk Assessment Committee (RAC) mechanism has been introduced.
- Standardized the existing process of Risk Side Clearance of UAT by defining the checklist for evaluation. The purpose of this checklist is to comprehensively evaluate the products/processes/systems to ensure their quality and reliability, thereby reducing the likelihood of faults occurring in a live production environment.

2. Credit Risk

- Bank is in process of implementing the ECL framework as per RBI guidelines.

- b. Development of RWA as per revised RBI guidelines of capital charge for Credit Risk under Standardized approach in process.

3. Policy

- a. Formulated new Guidelines for financing to Champion Sectors (Renewable Energy and Power Transmission), Green Hydrogen and its derivatives and Small Modular Reactors (SMRs).

4. ALM

- a. Bank has adopted Internal Liquidity Adequacy Assessment Process (ILAAP) comprehensive framework to identify, measure, monitor, forecast and manage the liquidity position under normal and various stress scenarios.
- b. Automation of Liquidity Coverage Ratio (LCR) and Net Stability Funding Ratio (NSFR) reports under project OFSAA.

5. Market Risk

- a. The computation of capital charge has been fully automated in system ensuring accuracy, consistency and real time calculation in line with regulatory requirement.
- b. Investment Portfolio Dashboard has been developed and automated within EDW to enable real time tracking of investment portfolio.
- c. Country Risk Exposure Dashboard has also been developed in EDW to track the exposure to various country in real time basis.

6. Group Risk

- a. Risk Management Framework for BO: IBU Gift City Acting as Trading and Clearing Member On "India International Bullion Exchange IFSC Limited" (IIBX).

- b. Framing of new policies/framework for group entities i.e New Product Approval, Incident Response Framework, Climate Risk & Environmental, Social, and Governance (ESG) Risk. These policies/ Framework serves as a broad guiding document for group entities for formulating policies/framework at their respective level, keeping in view of their area of operation, line of business and organizational structure.
- c. In- house Incident Reporting Portal for group entities to submit critical incident reports.

VII. Cyber Security Centre of Excellence (CCoE)

The Bank places a strong emphasis on cybersecurity, with oversight provided by the Group Chief Information Security Officer (GCISO) and execution managed by the dedicated Cyber Information Security Division (CISD). It is looking after the entire cybersecurity lifecycle, from the implementation and deployment of controls to continuous monitoring, ensuring robust protection of the IT infrastructure against a wide range of cyber threats.

To reinforce our defences, the Bank keeps upgrading its cybersecurity components. These efforts are complemented by a dedicated Cybersecurity Compliance Team, which ensures strict adherence to regulatory mandates. The Attack Surface Management (ASM) program plays a key role by providing continuous identification and remediation of vulnerabilities in public-facing applications.

Key initiatives include aggregating various threat intelligence feeds into a Threat Intelligence Platform and integrating it with the Next-Generation Security Operations Centre (NGSOC) to enable proactive threat prediction and management.

Next-Gen SOC is an advanced security framework that uses automation, AI, and integrated technology to proactively detect, analyse, and respond to cyber threats in real-time, improving traditional SOC's by reducing alert noise, speeding up incident response, and optimizing resource allocation.

The Bank is also strengthening security of public-facing assets through SSL/TLS assessments using SSL scanning tool to identify weak configurations and improve cyber resilience.

An independent second line of defence is provided by the Information and Communication Technology Risk function, ensuring a balanced risk management approach. Further independent assurance is offered by the Internal IS Audit team within the Audit and Inspection Department.

Under the "One State, One RRB" policy effective 01.05.2025, PNB-sponsored RRBs now include West Bengal Gramin Bank (merger of BGVB, PBGB & UBKGB) and Bihar Gramin Bank (merger of DBGB & UBGB). Cybersecurity integration of these entities with Bank's infrastructure is being undertaken in a phased manner. A comprehensive assessment of the cybersecurity risk posture of individual Regional Rural Banks (RRBs) was undertaken based on the Financial Services Sector Coordinating Council (FSSCC) Cybersecurity Assessment Model, adapted from the Federal Financial Institutions Examination Council (FFIEC) Cybersecurity Assessment Tool (CAT).

Bank is set to host the PSB Cybersecurity Hackathon 2026, in collaboration with the prestigious Indian Institute of Technology (IIT), Kanpur. This initiative is supported by the Department of Financial Services (DFS), Ministry of Finance (MoF). The proposed theme of the event is "Quantum-

Proof Systems" which will aim to develop a software scanner by the participating students, to validate deployment of Quantum proof cipher (QPC) and create cryptographic bill of material inventory for public facing applications (Web server, API, systems). This initiative is in line with the Government of India's Vision of "Viksit Bharat and Self-reliance".

VIII. Physical Security

The Bank has well established security and fire safety set-up with clear-cut delegation of authority and responsibility to the Security Officers functioning at Head Office and at the field level.

Security Division functions through various instructions/guidelines which are consolidated in the form of Physical Security Policy and Fire Safety Policy. Security Division ensures physical safeguarding of the Bank's asset, its fire safety arrangements and safety of its staff/customers.

All the Bank's branches are strengthened with the latest security and fire safety gadgets such as Closed-Circuit Television (CCTV) System with minimum 90 days recording, Burglar Alarm System, Fire Alarm System, auto dialers, Passive Infrared (PIR) sensors, light sensors, portable fire extinguishers, modular fire extinguishers etc. Furthermore, Branches dealing with locker facility are strengthened with additional CCTV cameras and hard disc with a provision to store CCTV recording till 180 days.

The Bank has a system of guarding all the branches as per their Physical Security Risk profile categorized into High Risk, Medium Risk and Low Risk branches and there is a provision to post security guards in High Risk branches.

For the safety of vital installations like Server Rooms, DR Sites, two layer physical security arrangements, Early Fire Detection

and Alarm System, Fixed Firefighting System, Clean Gas based Fire Suppression System in server rooms and various types of Fire-Extinguishers are provided.

In accordance with the Standard Operating Procedures on Hiring of Customized Cash Vans, adequate number of Customized Cash Vans are hired in each Zone which are equipped with Global Positioning System (GPS) tracking system, fire extinguisher and CCTV system. The movement of Cash vans is controlled at Currency Chest level.

In order to meet any kind of disaster, the Bank has a well-established Business Continuity & Contingency Plan (Non-IT). Offices upto Branch level have Emergency Response Team to respond immediately to any kind of contingency like Fire incident, Earthquake, Terrorist attack, etc. Arrangements have been made to train Bank staff at training centers through Security and Fire Safety videos. Moreover, Demonstration boards for Security and Fire safety have been set up at major training centers. In addition to above, firefighting and evacuation drills are carried out by the Bank's Fire Officers and Security Officers at all Admin offices once a year and when visiting branches/other offices.

A team of dedicated Security Officers and Fire Officers are posted at Zonal Offices & Circle Offices with prime responsibility to carry out audit of physical security measures at branches, installation and maintenance of Security gadgets and to liaison with Police/State authorities in respect to Physical Security and Fire Safety. They act as advisor to respective Zonal Head/Circle Head in all matters related to Physical Security/safety, movement of cash and Fire Safety.

New Initiatives undertaken by the Bank in FY 2025-26:

- i. The Disaster mock drills (non-IT) are conducted with NDRF/ SDRF/ DDMA authorities to improve the disaster

resilience of the Bank. A DR mock drill at HO Dwarka building was conducted in coordination with NDRF/ DDMA on 30.11.2025. Further, mock drills are conducted at all the field offices with the help of such authorities at least once in a year to improve disaster resilience of the Bank.

IX. Internal Control System

a) Internal Audit

During FY 2025-26, Risk Based Internal Audit (RBIA) was commenced/conducted in 9,003 branches/offices. During FY 2025-26, 1527 branches/offices were covered under Concurrent/Continuous audit, covering 72.35 per cent of the advances and 37.15 per cent of Bank's Deposits as on 31st March, 2025.

Information Security (IS) Audit was conducted in 163 offices/ units. FEMA Audit was conducted in 267 eligible branches/offices i.e. Authorized Dealer (AD) branches & Trade Finance Centers All branches were subject to revenue audit.

b) Offsite Monitoring

To strengthen Offsite Monitoring of branches/offices, bank has constituted a dedicated Data Analytics team, namely the Offsite Surveillance Unit (OSU). The OSU conducts regular data dump analysis and recommends enhancements in systems and procedures for mitigation of identified operational risks.

During FY 2025-26, the team undertook 245 studies and recommended 177 system-level enhancements, out of which 61 enhancements have already been implemented.

Further, the OSU module is being utilised in CISAP portal, resulting in improved MIS generation, and enhanced inter-divisional communication. Studies are classified based on criticality levels, namely High, Medium, and Low.

c) Risk Based Internal Audit of Administrative Office

The Bank has prescribed Risk Based Internal Audit system for conducting audit of its Administrative Offices.

The audit captures risk perceptions inherent in various areas of functioning of administrative offices including decision making process, communication systems, efficient resource utilization and ways & means used to achieve the goals, etc.

All HO Divisions (Except Vigilance Division), Zonal Offices, Circle Offices, Domestic & Overseas subsidiaries to be audited on annual basis. All other administrative offices will be audited on annual basis except Low risk rated offices, which will be subject to audit once in two years. The Inspection and Audit Division will be subject to audit once in three years by external Auditor.

During FY 2025-26, audit of 247 administrative offices comprising 138 Circle Offices, 22 Zonal Offices, 22 ZAOs, 14 STCs/ALLs, 8 Regional Rural Banks, 37 Head Office Divisions, 3 domestic subsidiaries, 2 overseas subsidiaries and 1 Office of the Internal ombudsman was conducted.

d) Credit Audit and Review

During FY 2025-26, Credit Audit has been undertaken for a total of 5,173 loan accounts both domestic and overseas. In terms of Credit Audit & Review Policy, during FY 2025-26, the coverage of Credit Audit is 66.63 per cent of the Bank's total credit portfolio as on 31st March' 2025 against RBI and our Bank's policy requirement of at least 30 to 40 per cent in a year. The Bank is conducting credit audit through online Credit Audit module, which is a transparent, effective, accurate and time saving tool for better monitoring of Credit Audit.

e) Know Your Customer (KYC)/Anti Money Laundering (AML)

To ensure meticulous compliance with RBI's KYC guidelines across all branches and offices, the Bank has adopted a Board-approved Know Your Customer (KYC) Policy. The policy covers key parameters such as KYC updation, identification of beneficial owners, UCIC, and CKYC compliance, and is implemented in both letter and spirit.

For centralized account opening, the Bank has established CASA Back Offices, while a Document Management System (DMS) has been deployed to digitize customer records. Additionally, an AML system is in place to monitor transactions for potential money laundering, generate AML alerts, and screen customers against global sanctions lists.

To enhance staff awareness, an online basic KYC course on PNB UNIV has been made mandatory for branch employees, and every training program at Bank training centres includes a dedicated session on KYC/AML compliance.

In case of no change in KYC details of the customer, convenient KYC updation facility through SMS, WhatsApp, ATMs and BCs has also been introduced.

f) Central KYC Registry (CKYCR):

For establishing an account-based relationship, updation/ periodic updation or for verification of identity of a customer, the Bank shall seek the KYC Identifier from the customer. The Bank can retrieve the KYC Identifier, if available, from the CKYCR and proceed to obtain KYC records online by using such KYC Identifier and shall not require a customer to submit the same KYC records. At the time of customer onboarding, CKYCR search and download has been implemented on all account

opening channels to facilitate account opening using CKYCR number.

To further promote CKYCR adoption, the CKYCR number is displayed on account statements, passbooks, Internet Banking, PNB ONE, the corporate website, and other customer interfaces.

g) Data Governance & Data Quality Index (DQI):

With reference to recommendation of IBA EASE Steering Committee for Data Quality Improvement in PSBs, bank aimed at developing a uniform Framework to be adopted for a robust Data Quality Program in bank.

Data Governance Policy has been approved by the board. Main highlights of this new policy are: -

- o Chief Data Management Officer (CDMO) - Responsible for overseeing data quality and customer data privacy in the Bank
- o Head Office Data Governance Committee (HODGC)- The supreme body sponsoring the overall Data Governance Initiative, establishing directives and decisions related to data within the bank.
- o Division/Vertical Data Governance Committee (DDGC)- Data Governance Initiative implementation as per Data Governance Policy and HODGC directive.
- o Zonal Office Data Governance Committee (ZODGC)- Data Governance Initiative Implementation Monitoring
- o Circle Office Data Governance Committee (CODGC)- Data Governance Initiative Implementation Monitoring
- o Data governance officer (DGO) at different level i.e. HO Division, ZO, CO

and Branches. DGOs will be the Single point of Contact (SPOC) for any Data Governance activity at respective level.

As per IBA sub-committee recommendation, all 25 DQI Parameters implemented through Dashboard for data quality improvement. Dashboard is available to all HO Divisions, ZOs, COs and Branches for rectification and monitoring. Further, 5 new DQI parameters have been added in the Dashboard w.e.f. 1st September 2025.

h) Data Privacy:

In compliance with the Digital Personal Data Protection (DPDP) Act, 2023, the Bank strengthened its data privacy framework during the financial year. The key initiatives undertaken are as follows:

1. The Policy on Digital Personal Data Protection was approved by the Board of Directors.
2. Data Protection Officer (DPO) has been appointed to oversee the implementation and ensure ongoing compliance with the provisions of the DPDP Act, 2023, across the Bank.
3. A comprehensive Bank-wide gap assessment was conducted, covering all divisions, technology systems and operational processes to study and analyse the prevailing provisions of the DPDP Act, 2023 with the objective of ensuring effective adherence to the Bank's regulatory obligations as a Data Fiduciary
4. The assessment facilitated the identification of key compliance gaps and the development of a detailed remediation roadmap, which is currently being implemented across the Bank.

These proactive initiative underscores the Bank's commitment to fulfilling its obligations under the DPDP Act, including lawful processing of digital personal data, effective management of Data Principal Rights, implementation of reasonable

security safeguards and establishment of robust data protection governance, thereby safeguarding customer privacy and reinforcing regulatory compliance in the digital banking ecosystem.

i) Vigilance

Vigilance is a fundamental management function vital for nurturing transparency, accountability and ethical practices within the organization. It promotes efficiency in both personal and professional spheres, preventing immoral activities, fostering a safe environment to build an effective organizational management.

At Punjab National Bank, we prioritize integrity and transparency in all our operations. Our Vigilance Department plays a crucial role in maintaining the highest standards of ethics and compliance.

The Bank is committed towards prevention and detection of fraud, identifying potential risks and taking proactive measures to mitigate them. The Bank ensures Compliance and Monitoring by adhering to regulatory guidelines, policies, and procedures that are formulated/ designed to ensure that bank operates with the highest standard of integrity and transparency at all the times.

Due to efficiency achieved through preventive vigilance measure, effective monitoring mechanism and supervisory oversight over cases, bank is able to dispose-off 499 cases out of 537 cases registered during FY 2025-26 i.e. 92.92 per cent.

Bank has taken various initiatives to improve the efficiency of Vigilance Administration like publishing of Magazine, "PNB Vigil". The Vigilance Department is conducting online quizzes on Bank's products, circulars, operative guidelines, vigilance advisories and general banking awareness on regular basis. Further, various training sessions/

seminars have been organized on PAN-India basis, wherein officials from Vigilance Department participated and interacted with participants on Vigilance matters.

In addition to the above, the Bank is proactively working and using innovative ideas for strengthening vigilance administration and compliance. In FY 2025-2026; the Bank worked on the following activities: -

a. Revamping and Transforming the Preventive Vigilance Monitoring Committee (PVMC) Portal

to give a fair view of branch's business data/inspection ratings through integration of Portal with Enterprise Data Warehouse (EDW) and implementation of Biometric Authentication of Committee Members, through Human Resources Management System (HRMS) and Biometric Authentication System (BAS), to enable the Committee Members to authenticate the minutes of meeting in true spirit.

Further, in order to make the Portal more efficacious/effective, the functionality of confirming Senior Official's visit to branch and closure of observations made by them have been enabled therein.

The verticals including International Service Branches (ISBs) and Centralised PNB Loan Point have also been brought under the ambit of PVMC portal.

b. Systemic Improvements related to identification of sensitive posts and disabling of CBS user ID of employees during their leave/absence have been implemented in all the 8 Regional Rural Banks, sponsored by our Bank.

c. Punjab National Bank observed Vigilance Awareness Week (VAW) 2025 from 27th October, 2025 to 2nd November, 2025 with the theme **"Vigilance: Our Shared Responsibility."** During the campaign, approximately 7.22 crore impressions

were generated among the public through workshops, walkathons, seminars, public gatherings, nukkad nataks, preventive vigilance activities, CSR initiatives, blood donation camps, and other outreach programmes, compared to 4.90 crore impressions during the previous year.

Highlights of Vigilance Awareness Week, 2025:

- i. PAN India Blood Donation camp was organized during VAW Week, wherein more than 4,709 units of blood was donated.
- ii. A total of 8,773 "Gram Sabhas", involving 1,66,170 participants, were conducted in rural and semi-urban areas.
- iii. Three quizzes on Preventive Vigilance were conducted for the staff members, with a total participation of 1,77,062 staff members.
- iv. Various outreach activities were conducted in 1,970 schools & colleges across PAN India.
- v. Approximately 20,000 Business Correspondents were imparted online vigilance training.
- vi. A total of 25,980 employees completed "Stress Management" course on iGOT Karmayogi Portal.
- vii. A total of 11,847 employees were imparted training by Master Trainers on Investigation & Report, Framing of Chargesheet, Conducting CTE Type Intensive Examinations. Further, various trainings on preventive vigilance topics were also conducted during the VAW.
- viii. 16 Systemic Improvements related to different fields viz., HRD, DAC, Advances, Operations, Alternate

Delivery Channels, etc., were identified and implemented in our Bank during the precursor period to Vigilance Awareness Week i.e., Three-month campaign period from 18.08.2025 to 17.11.2025 launched by Hon'ble Central Vigilance Commission on Preventive Vigilance.

X. Right to Information (RTI) Act

The Bank recognises that transparency is essential for establishing and maintaining sustainable trust with both current and prospective customers. To uphold this commitment, the Bank diligently implements the provisions of the RTI Act, both in principle and in practice.

During the period of 1st April 2025 to 31st March 2026, the Bank received 7,014 RTI related applications.

XI. EASE Performance

The Enhanced Access & Service Excellence (EASE) initiative, launched by the Department of Financial Services under the Ministry of Finance, has become a cornerstone of Public Sector Bank (PSB) reforms since 2018. Over its eight iterations, EASE has progressively transformed PSBs from being responsive and responsible institutions in EASE 1.0, to clean and smart banking in EASE 2.0, smarttech enabled banking in EASE 3.0, techenabled simplified and collaborative banking in EASE 4.0, enhanced digital and data-driven banking in EASE 5.0, customer-friendly modern banking in EASE 6.0, and banking aligned with national goals in EASE 7.0. In its current edition, EASE 8.0 has been designed as a forward-looking framework structured around four themes; - Risk & Resilience, Innovation, SocioEconomic Impact, and Excellence, ensuring that PSBs remain competitive, resilient, and customercentric.

The bank has consistently performed strongly under the EASE agenda, securing 3rd rank in EASE 5.0, 2nd in EASE 6.0, and 4th in EASE 7.0.

The bank has made notable progress under the EASE 8.0 initiative. It achieved 2nd rank among 12 PSBs during the December quarter, with 1st rank in Risk & Resilience and 3rd in Excellence showing 134 per cent improvement in its score from the baseline. This performance is supported by a wide range of initiatives that enhance customer experience, operational efficiency, inclusivity, sustainability, and employee wellbeing.

Key achievements include - Customer centric measures like a dedicated Customer Experience Centre for feedback collection & usage of analytics to improve customer service, setting-up Net Promoter Score (NPS) & Customer Satisfaction (CSAT) framework to collect and process feedback for distinct services availed at branch & through digital channels, multilingual services in 11 regional languages and the rollout of digital innovations such as UPI Circle in mobile banking app. Operational Resilience has been Strengthened with additional features in the Operational Risk Management System (ORMS) tool.

A centralized 'Cost Map' dashboard showcasing Operating Expenses has been designed to track and allocate operating expenditure at granular levels. Accessibility has been prioritized through Divyangjan Accessible Centres, creation of an accessibility cell within the bank to cater to the needs of the physically challenged customers and employees,

roll-out of Braille-enabled cards, and regional language training for employees posted in diverse linguistic regions. Further, customer facing applications such as ATMs, Websites and employee facing applications such as HRMS and Knowledge centre have been made compliant with accessibility standards of WCAG 2.2. Sustainability initiatives such as adoption of electric vehicles and implementation of Building Management Systems have been undertaken. In clusterbased agricultural financing - new clusters along with value chains in existing clusters have been identified and monitoring is being done through dashboard. Employee engagement has been reinforced through frameworks such as Employee Happiness Index (EHI), alongside emotional wellbeing assessments and mentorship programs. Further, bank has obtained accreditation of training centers under ISO 9001:2015 and ISO 21001:2018 standards. Also, it has formed Apex training institution collaborating with top notch institutions for providing quality training to its employees as well as participants from other institutions.

The foregoing initiatives underscore the bank's commitment towards EASE reform agenda. Starting from 2018 onward bank has continuously aligned itself with the EASE priorities enhancing customer experience and operational efficiency. These efforts ensure that the bank maintains a robust and competitive presence among public sector banks, reinforcing its position amongst top performing banks under EASE Reform Agenda.

XII. Material Developments in Human Resources (HR)/Industrial Relations front including number of people employed

Human Resources Management

Total number of employees: Staff strength/Employees given in the following table are for March 2025 and for March 2026 including those on deputation in the Bank's subsidiaries.

Cadre wise Staff Strength

Cadre	31.03.2025		31.03.2026	
	Number	Per cent of Total Staff	Number	Per cent of Total Staff
Officer	53,137	51.72%	54,614	52.93%
Clerks	28,013	27.26%	28,129	27.26%
Sub Staff (incl. PTS)	21,596	21.02%	20,441	19.81%
Total	1,02,746	100.00%	1,03,184	100%

Reservation Policy

The Bank follows the reservation policy for SCs, STs, OBCs and PWD as prescribed by Government of India from time to time. Besides as per norms the bank has taken various steps like maintaining reservation roster, separate liasoning officer etc.

Strength of SC/ST/OBC/PWD Employees (in numbers)

Cadre	31.03.2025				31.03.2026			
	SC	ST	OBC	PWD	SC	ST	OBC	PWD
Officer	10,517	4,049	14,266	1,546	10,718	4,140	15,256	1,501
Clerks	5,572	1,568	7,782	884	5,560	1,571	8,035	869
Sub Staff	8,361	1,515	5,471	495	8,004	1,476	5,197	491
Total	24,450	7,132	27,519	2,925	24,282	7,187	28,488	2,861

Age Profile of the Employees

The average age of overall employees has come down over the years. The movement of cadre-wise average age in the last five years is as under:

Average Age as on	Officer	Clerical	Sub Staff	Over All
March 2022	39.24	38.28	38.03	38.71
March 2023	39.23	38.40	36.86	38.46
March 2024	39.28	38.67	37.45	38.70
March 2025	39.12	38.70	38.17	38.81
March 2026	38.58	38.31	38.44	38.48

New Initiatives undertaken during FY 2025-26 are as under: -

a) Digitization Initiatives for HR:

- Introduction Of Mobile Attendance Application- PNB Aagman: a Mobile Attendance Application- PNB AAGMAN is being introduced. The app will only allow attendance marking within the office premises, ensuring that attendance can be marked only by employees physically present at their respective office. The application is fully integrated with HRMS, and only those employees with a registered mobile number in HRMS can use the app.
- Reduction of Staff Clean OD Limit through HRMS:
- Staff can now apply for a reduction also in their existing Staff clean OD/DL limit through HRMS, and the updated limit will be reflected in the system after fresh documentation (which can be downloaded from HRMS) at the branch where borrowing Staff maintains the account and processing of the reduced limit in HRMS.
- Digitalization of Bank's Flat Allocation.
- Reimbursement of Staff welfare (Cleansing, Business Attire, Briefcase, Stationary Expenses, Electricity Bill, Fuel, Telephone bills & Entertainment Allowance) through CBDC Wallet.
- To promote digitization in Staff loans, it has been decided to adopt and implement system driven approach in staff housing scheme loan for processing of application through HRMS.

b) Empowering Employees through NPS Flexibility:

- In line with the Bank's commitment

to employee welfare and financial empowerment, Punjab National Bank has introduced a significant enhancement under the National Pension System (NPS). Effective 1st November 2025, employees covered under NPS have the option to select their Pension Fund Manager (PFM) and flexibility to adopt either Active Choice (self-directed allocation across Equity, Corporate Bonds, Government Securities and AIFs) or Auto Choice (age-based life cycle funds) or Balanced Life Cycle Funds to optimize their returns.

c) Centralization of Disciplinary Authority for officers and clerical: In order to bring uniformity, transparency and consistency in the disciplinary process across all field offices, the Bank has decided that disciplinary proceedings be dealt centrally at Head office.

New Staff Welfare Schemes:

a) PNB UDBHAV- Welcoming of female employees post maternity leave:

Bankhastakenanewinitiative-PNBUDBHAV to attenuate and to make returning female employees feel happy and welcomed on rejoining. The returning mother is guided by the Nodal Officer/ERG Member about PNB SPARSH (Banks Teleconsulting facility for women employees Post Maternity Leave) and encourage them to avail the facility as the same may help in removing the fears, apprehensions and also help them to smoothly transition into their roles at workplace.

b) PNB ARPAN: A new initiative has been launched named PNB ARPAN under which a lump sum one-time payment is given to the family of the retired deceased employees.

c) Women employees in senior positions - FIVEYEARROADMAP: Fiveyears' roadmap to ensure increased representation of

women at senior positions with a view that enabling environment be provided to women employees desirous of moving ahead in professional career, through appropriate grooming has created.

d) Reimbursement of vaccination charges for Cervical Cancer to women employees of the Bank:

The initiative aims to encourage early preventive measures, increase awareness regarding women's health, and reduce the long-term risk and financial burden associated with cervical cancer treatment, while reinforcing the bank's commitment to employee welfare and a supportive, health-conscious workplace.

e) Reimbursement of 1st time school admission expenses for one girl child of employees:

To provide assistance to employees by reimbursing 1st time school admission expenses for one girl child in formal school as the education of the girl child is a cornerstone of a progressive society.

f) PNB SAMPARK- A grievance redressal portal for employees belonging to SC/ST/OBC/PWD/Minorities:

To provide an exclusive platform for redressal of grievances of employees belonging to SC/ST/OBC/PwD/Minority Categories, a new Grievance Redressal Mechanism named PNB SAMPARK has been developed.

Industrial relations

Industrial Relations in the bank continued to be cordial with workmen union/Officer's association. Various physical meetings at Circle/ Zonal/ HO level were held with representatives of Officers' Association/ Workmen Unions during the year to promptly resolve the issues raised by union/association.

Training Activities

In an increasingly dynamic and technology-driven banking environment, continuous learning remains central to sustaining

competitive advantage and ensuring regulatory alignment. During FY 2025-26, the Bank's training architecture was thoughtfully designed to be both agile and strategically aligned with organizational priorities. The training calendar emphasised job family and role-based learning, delivered through structured interventions across training centres, with a strong focus on enhancing functional expertise, leadership capabilities, and customer-centric service delivery. Notably, during this financial year, the Bank successfully completed training for 90.56 percent of its employees in physical mode, underscoring our commitment to comprehensive skill development and hands-on learning.

The organisation prioritised targeted development initiatives, including dedicated pre-promotion trainings, reinforcing the Bank's commitment to cadre progression and leadership readiness. These initiatives ensured that employees transitioning into higher roles were adequately equipped with the competencies required to perform effectively in an evolving financial landscape.

At PNB, a robust HR framework ensures robust capability-building framework, integrating classroom training, e-learning, mentoring, and experiential learning. From induction programmes for new entrants to continuous upskilling for existing employees, all learning interventions are aligned with both individual career progression and the Bank's strategic objectives. The adoption of innovative learning methodologies during the year further strengthened leadership pipelines, enhanced workforce capabilities, and reinforced the Bank's commitment to nurturing talent and driving excellence.

a. Grooming Plans

- **Leadership Development program under PNB Udaan-** A refresher

programme under the title "**Udaan Elevate**" was conducted for executives who attended the program last year and there was a 65 per cent positive variation is seen in the behavioural competencies of the said officers. Further, under Project Udaan, the Leadership Development Program "**Igniting Potential**" was extended to Scale IV officers. The program focused on functional competencies and behavioural skills, with an emphasis on impact-oriented working and customer centricity.

- **URJA Programme** - Conducted during May-June 2025, this large-scale initiative covered 24,436 Customer Service Associates (CSAs). Through interactive and practice-oriented sessions, the programme significantly strengthened service quality, operational efficiency, and customer engagement.
- **CASA Back Office & Nodal Officers Training-** Specialized programmes were conducted to enhance process efficiency, compliance adherence, and service quality in CASA operations. These interventions contributed towards improved Turnaround Time (TAT), reduced customer grievances, and seamless transaction handling.
- **Strategic Edge Initiative** - To ensure leadership readiness, mandatory development programmes were introduced as a pre-requisite for promotions, equipping senior officials with the skills required to handle enhanced responsibilities.
- **Executive Development & Foreign Exposure** - Senior executives were nominated for overseas training programmes and premier domestic institutes such as IIMs, ISB, MDI, ASCI, and IDRBT, based on role and performance, thereby enabling

exposure to global best practices.

- **Linguistic Training Programmes** - To support employees in non-native regions, linguistic training was introduced, focusing on practical communication skills and cultural sensitivity, thereby enhancing customer interaction and workplace collaboration.
- **Professor of Practice:** The Bank empanelled 29 Professors of Practice from leading academic institutions to bridge the gap between theory and practice. These experts are contributing to specialized modules on leadership, innovation, and emerging banking trends.
- **PNB Manthan-Case Study Competition** Conducted in collaboration with the Indian Banks' Association (IBA), this initiative fostered analytical thinking, innovation, and problem-solving capabilities among employees.
- **Cross Bank Training programs** - During FY 2025-26, cross bank training programs were introduced to foster knowledge exchange, sharing best practices, and enhancing exposure to diverse operational frameworks across institutions.
- **Unnati Path:** Women Conclave—A targeted initiative for women officers was held, providing training to 6,358 participants.
- **Employee Learning Dashboard** - A new Employee Learning Dashboard was introduced to offer personalized training recommendations based on profile, learning history, and skill assessment.
- **AR/VR-Based Learning** - The Bank initiated steps towards immersive learning through simulation-based training and upcoming AR/VR integration, enabling experiential, risk-

free learning and improved decision-making capabilities.

b. Knowledge Enablers

I. PNB Knowledge Centre -

- **RAHEE Chatbot** introduced to provide quick and easy knowledge assistance to staff members by providing responses based on the circulars and guidelines available in Bank's repository.
- **Recordings of monthly webinar** being conducted on every fourth Saturday of each month on thematic subjects and key developments in the banking sector are also being uploaded under Knowledge Repository in Knowledge Centre.

Additionally, **DIY Videos for customer** awareness on various Digital products are available on our website and social media platforms.

II. PNB UNIV- Our bank has been extensively leveraging the e-Learning platform PNB UNIV to promote the culture of self-learning. Courses on various functional competencies are made available on PNBUNIV. The course allocation on PNB UNIV is in line with the assigned job-families of respective officers 212. Courses have been uploaded in knowledge centre as on 31.03.2026.

In addition to this, following **Tailor-made training programs to suit employee's life cycle have been conducted:**

- Programs ranging from induction to cadre change, role change and upskilling were conducted for employees of the Bank across all cadres and scales.
- Customized programs for First Time Circle Heads and First Time Branch Heads were conducted to facilitate their seamless switch to new roles.

- 'Second Innings' programs were conducted for superannuating employees along with their spouses to help them transition to post-retirement life.
- On demand programs such as Training on Climate Risk & Sustainability, Vigilance, Cyber Security, SARFAESI provisions, Risk Rating, DMS, etc. was conducted.
- **Diversity, Equity & Inclusion initiatives** which included dedicated women conclaves across the Bank for all women officers and program for Differently abled Officials.
- Refresher training for women returning from sabbatical or maternity leave were organised so that they can reintegrate smoothly into the system and quickly update themselves on new policies and products.
- Additional sessions covered essential topics like time management, work-life balance, mental health, stress management, and motivation to support holistic development.
- **External Trainings** - With rapid changes in IT, IBC, cybersecurity, AI, automation, and evolving customer expectations, skill requirements in banking are constantly evolving. To address this, 3122 employees were trained till 31.03.2026 for specialized training at premier institutes like NIBM, IDRBT, CAB (RBI), IIBF, etc.
- Capacity Building beyond classroom - The Bank, while recognizing the need for continuous up-gradation of knowledge of its employees, offers incentive to staff members on their acquiring specific higher/professional qualifications in terms of the approved scheme. The number of approved courses under the Scheme for providing incentive to Staff

Members for acquiring Specialized Qualifications/qualifying Specific Courses, were increased. Additionally, an individual learning dashboard was introduced, enabling personalised course suggestions based on the unique requirements of each employee.

WAY FORWARD

The global economic outlook is characterized by a **"steady but underwhelming"** recovery as the world navigates the long-tail effects of geopolitical conflicts and shifting trade policies. The global economy faces real threat of stagflation due to supply chain disruptions and growth is expected to be below pre-pandemic average. Central Banks have an arduous task of stabilising inflation while minimising impact on growth. Due to recent volatility in global financial markets, the US dollar has strengthened, supported by increased safe-haven demand that has placed downward pressure on the currencies of emerging economies. The primary downside risks to the global outlook continue to be the prolongation and geographical expansion of the conflict.

The Indian Economy is expected to maintain robust growth in the current year driven by strong macro-economic fundamentals. Strong domestic consumption, investments and government's public expenditure and infrastructure expansion continues to support the India's growth momentum.

The prospects for agriculture present a contrasting landscape. While the sector remains fundamentally stable, a developing El-Niño and the resulting forecast of a below-normal monsoon cast a shadow over near-term productivity. However, this risk is being mitigated by a structural shift toward horticulture and technology-driven farming, a transformation specifically engineered to insulate and boost farm incomes against traditional climatic dependencies. Manufacturing is poised to remain on a remarkably strong footing. The sector is currently reaping the rewards of aggressive Government interventions and strategic support frameworks finalized in

the FY2026-27 Union Budget, which have prioritized domestic capacity building and supply chain integration to solidify India's position as a global production alternative. The service sector remains the economy's powerhouse, contributing more than 50 per cent of GDP. It is undergoing a fundamental metamorphosis from a "low-cost back office" into a high-value "global innovation hub." Propelled by the Union Budget 2026-27 and a pervasive surge in digital transformation, this sector continues to significantly outperform the broader economy, leveraging India's maturing digital public infrastructure.

The Indian economy though faces multi-layered set of risks from prevailing geopolitical conflicts. The near-term outlook remains uncertain, with external shocks posing downside risks to growth through higher input costs and supply constraints, even as domestic demand may help cushion the impact.

In an increasingly uncertain global environment, the resilience of the Indian economy will depend on the strengthening of domestic fundamentals. This will require sustained focus on structural reforms to enhance competitiveness, achieve efficiency gains, and drive investment. At the same time, emphasis on preparedness, policy coordination, and domestic capacity development will remain important for navigating evolving global uncertainties and supporting growth.

The Indian Banking sector's health is expected to remain robust in FY 2026-27. Banks enter the financial year with low NPAs, strong profitability and capital buffers. Retail, MSME and selective corporate demand is expected to keep the credit growth in double digits. Deposit growth is expected to improve though it will continue to lag credit growth.

Banks will continue to leverage the India's Digital Public Infrastructure and data analytics to build sophisticated and hyper personalized products and services. By leveraging the **Account Aggregator (AA)** ecosystem and advanced data analytics, banks are shifting from "collateral-based lending" to "cash-flow-based lending." This allows for real-time credit assessments of

previously underserved MSMEs. The traditional banking apps are being supplemented by **Embedded Finance and Banking as a Service (BaaS)** models. Further, Banks are harnessing Fintech synergies with tie ups.

Sustainable Finance is transitioning from a niche ESG requirement to a mainstream asset class. Banks are aggressively expanding their green portfolios, offering preferential interest rates for renewable energy projects, electric vehicle (EV) ecosystems, and climate-resilient infrastructure.

Further, strategic shifts in RBI's policies has allowed banks to expand their lending portfolios in Mergers & Acquisitions (M&A) and Real Estate Investment Trusts (REITs) & InvITs.

Declining Current Account and Savings Account (CASA) ratios are a major concern for banks, as they signal a shift from low-cost, stable deposits to more expensive funding sources, compressing Net Interest Margins (NIMs). Further, the geopolitical uncertainties may cast a shadow over credit portfolios which may push up the slippages, leading to slight increase in Gross NPA though it is expected to remain benign.

Punjab National Bank (PNB) is poised to serve as a vital catalyst in India's journey toward Viksit Bharat, leveraging its expanded balance sheet to support massive infrastructure and industrial mandates.

Through continuous product innovation and optimization, the Bank will continue to cater to the evolving aspirations of younger demographics, empowering them with tailored credit solutions for housing, vehicles, and education.

To support the MSME ecosystem, the Bank will continue to ensure seamless and timely access to credit, driven by automated digital platforms and predictive cash-flow financing models.

To sustainably expand its low-cost deposit base and improve the overall cost of funds, the Bank is aggressively deploying its suite of specialized, segment-focused CASA products. Moving forward, our strategy

centers on moving away from a one-size-fits-all approach to target distinct, high-value customer ecosystems through tailored propositions, customized savings accounts for women, farmers, students and senior citizens, and digital-first variants for tech-savvy youth. Simultaneously, our current account variants are designed to cater to the specific transaction logic and cash-management requirements of MSMEs, retail traders, and institutional clients. By pairing these specialized product offerings with dedicated relationship-led sales teams and enhanced digital onboarding journeys, the Bank is uniquely positioned to deepen primary banking relationships, accelerate new-to-bank customer acquisition, and drive high-velocity momentum in sustainable CASA growth.

The Bank's long-term success is anchored in the trust and satisfaction of our customers. Moving forward, we will continue to strengthen our customer service framework by investing heavily in specialized frontline training, empowering our teams to deliver personalized financial guidance with greater agility. To ensure absolute inclusivity, we are modernizing our customer service channels to cater effectively to both tech-savvy urban millennials and digitally emerging rural demographics. By refining our customer feedback mechanisms and simplifying grievance redressal workflows, the Bank is dedicated to transforming standard transactions into deeply embedded, value-driven relationships that support our clients through every stage of their financial journey.

With these priorities, the Bank aims to enhance its market share and maintain strong, consistent profitability.

Through its **"Banking for Viksit Bharat"** initiatives, PNB ensures that its growth is not just rapid, but grounded in financial discipline, making it a dependable pillar for both rural inclusion and corporate expansion.

For and on behalf of Board of Directors

Ashok Chandra
Managing Director & CEO



AUDITORS' CERTIFICATE ON
CORPORATE GOVERNANCE

To the Members of Punjab National Bank

We have examined the compliance of conditions of Corporate Governance by Punjab National Bank for the year ended on March 31, 2026, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), as applicable during the relevant year.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India, and was limited to procedures and implementation thereof, adopted by the Bank for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

In our opinion and to the best of our information and according to the explanations given to us we certify that the Bank has, in all material aspects, complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Regulations to the extent these do not contradict the Banking Regulation Act, 1949 and Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, except for the following:

- The Position of one Director each under Section 9(3)(e), 9(3)(f) and 9(3)(g) and four Directors under Section 9(3)(h) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, were vacant on the Board of the Bank.
- In pursuance to Regulation 17(1) of SEBI LODR Regulations, 2015, the Board of Directors did not comprise of minimum requirement of fifty percent of non-

executive directors from 06.06.2025 to 28.08.2025 and from 24.11.2025 onwards. Further, the position of one independent woman director remained vacant from 01.04.2025 till 28.08.2025. The requirement of one-third independent directors from 01.04.2025 to 28.08.2025, where Chairperson is Non-Executive Director and minimum half independent directors from 07.11.2025 to 31.03.2026, where the Board does not have a regular non-executive Chairperson, could not be fulfilled during the period under review due to inadequate number of independent directors on the Board of the Bank.

- During the review period, pursuant to Regulation 18(1), 19, 21 of SEBI (LODR), Regulations 2015, Audit Committee of the Board became non-functional from 11.06.2025 to 28.08.2025, Nomination and Remuneration Committee of the Board became non-functional from 11.06.2025 to 29.08.2025 and from 07.11.2025 till date and Risk Management Committee of the Board became non-functional from 11.06.2025 to 28.08.2025 due to non-availability of directors. However, the agendas to be considered by these Committee(s) during the above mentioned time periods were placed before the Board of Directors in terms of clause 14A of The Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970 and RBI direction vide letter dated 02.06.2025.
- Independent Director designated as Chairperson of Audit Committee of Board and Risk Management Committee of Board are also chairing other Committees of the Board due to unavailability of adequate number of Independent Directors on the Bank's Board from 01.04.2025 till 31.03.2026.

Restriction to Use: This certificate is addressed to and provided to the members of the Bank

solely for the purpose of enabling them to understand the requirements of the Listing Regulations related to Corporate Governance, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior

consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

We further state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the Management has conducted the affairs of the Bank.

For Ummed Jain & Co.
Chartered Accountants
FRN: 119250W

CA Akhil Jain
Partner
(M.No. 137970)
UDIN: 26137970PUPOON1202

For Prem Gupta & Co.
Chartered Accountants
FRN: 000425N

CA Rajan Uppal
Partner
(M.No. 097379)
UDIN: 26097379JUWBNW1023

Place: New Delhi
Date: May 05, 2026

For N K Bhargava & Co.
Chartered Accountants
FRN: 000429N

CA N K Bhargava
Partner
(M.No. 080624)
UDIN: 26080624ANBIVZ4076

For P A & Associates
Chartered Accountants
FRN: 313085E

CA Braja Nanda Dash
Partner
(M.No.062142)
UDIN: 26062142AZLNZJ4041

Collaborating
to build a
Viksit Bharat

CORPORATE GOVERNANCE REPORT



REPORT ON CORPORATE
GOVERNANCE

1. CORPORATE GOVERNANCE
PHILOSOPHY

The Bank is dedicated to strengthening investor and stakeholder confidence by upholding the highest standards of transparency and ethical values for improving efficiency and sustainable growth of the organization. The Bank is committed to follow best Corporate Governance practices driven by transparency, professionalism and accountability.

The Bank’s corporate framework, operations and disclosure mechanisms are carefully aligned to this philosophy.

Established under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Bank functions under the regulatory oversight of the Reserve Bank of India. Being a listed entity, the Bank is obligated to comply with the provisions of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970 and the Guidelines, Directives, etc. issued by the Government of India and the Reserve Bank of India in this regard.

The Board of the Bank strives to optimize value for all stakeholders including shareholders, employees, customers and the society at large.

2. BOARD OF DIRECTORS

The Board of the Bank is constituted in accordance with the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Nationalized Banks (Management & Miscellaneous Provisions) Scheme, 1970 (the Scheme).

2.1 The Composition of the Board of Directors as on 31.03.2026 with date of their appointment, category, membership of other Committees etc. along with the Chart/Matrix setting out the skills/ expertise/competence of the Directors is given below:

Sr. No.	Name of Director Shri/Smt.	Date of Appointment	Qualification	Category of Director	Experience	Skills/ Expertise/ Competence	Membership/ Chairmanship of Committees of Board of the Bank	Membership/ Chairmanship of ACB and Stakeholders' Relationship Committee in Companies (other than PNB)	No. of Shares of PNB held by Directors as on 31.03.2026
1.	Ashok Chandra	16.01.2025	M.A. (Economics), CAIIB	MD&CEO	Over 34 years of experience in Nationalized Banks.	Banking, Economics	1. Management Committee of the Board – Chairperson 2. Committee of Directors to Review Vigilance and Non-Vigilance Cases – Chairperson 3. Customer Service Committee of the Board – Chairperson 4. Directors' Promotion Committee – Chairperson	Nil	Nil

Sr. No.	Name of Director Shri/Smt.	Date of Appointment	Qualification	Category of Director	Experience	Skills/ Expertise/ Competence	Membership/ Chairmanship of Committees of Board of the Bank	Membership/ Chairmanship of ACB and Stakeholders' Relationship Committee in Companies (other than PNB)	No. of Shares of PNB held by Directors as on 31.03.2026
							5. Committee of the Board to monitor the progress in Recovery – Chairperson 6. Credit Approval Committee of the Board – Chairperson 7. Election of Shareholder Directors – Voting by Public Sector Banks – Chairperson 8. Committee for Review of Identification of Wilful Defaulters – Chairperson 9. Steering Committee of the Board on HR – Chairperson 10. Capital Raising Committee – Chairperson 11. Business Review Committee – Chairperson 12. Risk Management Committee of the Board – Member 13. Special Committee of the Board for monitoring and follow up of cases of Frauds – Member 14. IT Strategy Committee of the Board – Member 15. Stakeholders Relationship Committee – Member		
2.	M. Paramasivam	01.12.2022	B.Sc. (Agriculture)	Executive Director	Over 36 years of experience in Nationalized Banks.	Banking, Agriculture	1. Management Committee of the Board – Member 2. Credit Approval Committee of the Board – Member 3. Election of Shareholder Directors – Voting by Public Sector Banks – Member 4. Business Review Committee – Member	Nil	25

Sr. No.	Name of Director Shri/Smt.	Date of Appointment	Qualification	Category of Director	Experience	Skills/ Expertise/ Competence	Membership/ Chairmanship of Committees of Board of the Bank	Membership/ Chairmanship of ACB and Stakeholders' Relationship Committee in Companies (other than PNB)	No. of Shares of PNB held by Directors as on 31.03.2026
3.	Bibhu Prasad Mahapatra	09.10.2023	M.A. (Political Science), CAIIB	Executive Director	Over 36 years of experience in Nationalized Banks.	Banking	1. Management Committee of the Board – Member 2. Stakeholders Relationship Committee – Member 3. Customer Service Committee of the Board – Member 4. Committee of the Board to monitor the progress in Recovery – Member 5. Credit Approval Committee of the Board – Member 6. Capital Raising Committee – Member 7. Business Review Committee – Member	Nil	6350
4.	D. Surendran	24.03.2025	M.Sc. (Agriculture), CAIIB	Executive Director	Over 35 years of experience in Nationalized Banks.	Banking, Agriculture	1. Management Committee of the Board – Member 2. IT Strategy Committee of the Board – Member 3. Committee of Directors to Review Vigilance and Non-Vigilance Cases – Member 4. Customer Service Committee of the Board – Member 5. Credit Approval Committee of the Board – Member 6. Steering Committee of the Board on HR – Member 7. Capital Raising Committee – Member 8. Business Review Committee – Member	1	Nil
5.	Amit Kumar Srivastava	24.11.2025	M.Sc., PRM, PG Diploma in Treasury and Forex Management, CAIIB	Executive Director	Over 31 years of experience in Nationalized Banks.	Banking, Risk Management	1. Management Committee of the Board – Member 2. Risk Management Committee of the Board – Member 3. IT Strategy Committee of the Board – Member	Nil	4400

Sr. No.	Name of Director Shri/Smt.	Date of Appointment	Qualification	Category of Director	Experience	Skills/ Expertise/ Competence	Membership/ Chairmanship of Committees of Board of the Bank	Membership/ Chairmanship of ACB and Stakeholders' Relationship Committee in Companies (other than PNB)	No. of Shares of PNB held by Directors as on 31.03.2026
							4. Special Committee of the Board for monitoring and follow up cases of frauds – Member 5. Committee of Directors to Review Vigilance and Non-Vigilance Cases – Member 6. Committee of the Board to monitor the progress in Recovery – Member 7. Credit Approval Committee of the Board – Member 8. Election of Shareholder Directors – Voting by Public Sector Banks – Member		
6.	D. Anandan	24.07.2025	IAS, M. Com., CMA	GOI Nominee Director	26 years of experience in Administration.	Finance, Public Administration	1. Special Committee of the Board for monitoring and follow up of cases of frauds – Chairperson 2. Committee of Directors to Review Vigilance and Non-Vigilance Cases – Member 3. Directors' Promotion Committee – Member 4. Steering Committee of the Board on HR – Member	Nil	Nil
7.	Dr. Uma Sankar	14.07.2023	Master in Business Economics, M.Sc., B.com. (Hons.), Ph.D.	RBI Nominee Director	More than 32 years of experience as a Central Banker covering supervision of Banks, currency management, financial inclusion, training, complaints redressal, etc.	Central Banker	1. Management Committee of the Board – Member 2. Audit Committee of the Board – Member 3. Committee of Directors to Review Vigilance and Non-Vigilance Cases – Member 4. Directors' Promotion Committee – Member	Nil	Nil

Sr. No.	Name of Director Shri/Smt.	Date of Appointment	Qualification	Category of Director	Experience	Skills/ Expertise/ Competence	Membership/ Chairmanship of Committees of Board of the Bank	Membership/ Chairmanship of ACB and Stakeholders' Relationship Committee in Companies (other than PNB)	No. of Shares of PNB held by Directors as on 31.03.2026
8.	Ambarish Ojha	12.09.2024	B. Tech.	Shareholder Director	More than 36 years of experience in various Multinationals.	Information Technology and Risk Management	1. Risk Management Committee of the Board – Chairperson 2. IT Strategy Committee of the Board – Chairperson 3. Audit Committee of the Board – Member 4. Committee of the Board to monitor the progress in Recovery – Member 5. Election of Shareholder Directors – Voting by Public Sector Banks – Member 6. Committee for Review of Identification of Wilful Defaulters – Member 7. Business Review Committee – Member	Nil	100
9.	Vandana Bhagavatula	29.08.2025	B. Com, FCA, D.I.S.A.	Shareholder Director	25 years of experience in Accountancy, Banking, Finance and Audit across various organizations.	Banking, Finance, Accountancy, Audit, Information Technology	1. Audit Committee of the Board – Chairperson 2. Stakeholders Relationship Committee – Chairperson 3. Risk Management Committee of the Board – Member 4. IT Strategy Committee of the Board – Member 5. Special Committee of the Board for monitoring and follow up of cases of frauds – Member 6. Customer Service Committee of the Board – Member 7. Committee for Review of Identification of Wilful Defaulters – Member 8. Steering Committee of the Board on HR – Member 9. Capital Raising Committee – Member	Nil	1000

Note:

During the financial year 2025-26, the following changes took place in the composition of the Board:

Sr. No	Name	Category of Director	Date of appointment/ cessation	Reason
1.	Shri Jatinder Singh Bajaj	Shareholder Director	06.06.2025	Resignation tendered on 05.06.2025
2.	Shri Pankaj Sharma	Gol Nominee Director	24.07.2025	Completion of tenure
3.	Shri D. Anandan	Gol Nominee Director	24.07.2025	Appointment
4.	Smt. Vandana Bhagavatula	Shareholder Director	29.08.2025	Elected
5.	Shri Kalyan Kumar	Executive Director	30.09.2025	Elevation to MD& CEO of Central Bank of India
6.	Shri K. G. Ananthakrishnan	Part-time Non-official Director cum Non-Executive Chairman	06.11.2025	Completion of tenure
7.	Shri Amit Kumar Srivastava	Executive Director	24.11.2025	Appointment

The Bank confirms that none of the Directors are related inter-se.

The Bank conducts familiarization programmes for its Non-Executive and Independent Directors, details of which are available on the Bank's website at <https://pnb.bank.in/Disclosures-in-terms-of-Regulation.html> (Point M).

In the opinion of the Board, Independent Directors fulfill the conditions specified in Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015] and are independent of the management.

The Performance Evaluation Committee of Board evaluates the performance of Whole-Time Directors using an evaluation matrix based on the Key Performance Indicators (KPIs) for the assessment of quantitative & qualitative parameters in line with the Department of Financial Services', Ministry of Finance, Government of India ("Ministry") letter No.F.No.12/1/2014- BOA dated 18.08.2015, also considering the weightage of marks for implementation of the PSB Reforms Agenda under Enhanced Access & Service excellence (EASE). The Key Performance indicators broadly cover Business Growth, NPA Management, Profitability, Risk, Compliance & Audit mechanism, Financial Inclusion, Digitisation, Efficiency of Capital Use and HR initiatives.

2.2 The details of members of the board who ceased to be the Directors during the year: As stated in point 2.1 above.

2.3 Details of Membership/Chairmanship of Directors in the Board/Committees of other listed entities:

Sr. No	Name of Director (Shri/Smt.)	Name of other Listed Entity in which the Director is a member of the Board	Name of the Board/Committee in other listed entity where the Director is Chairperson/ Member		Category of Directorship in other listed entities
1.	Ashok Chandra	NIL	NIL	NIL	NIL
2.	M. Paramasivam	NIL	NIL	NIL	NIL
3.	Bibhu Prasad Mahapatra	PNB Gilts Limited	Board	Chairperson of the Board	Non-Executive
4.	D. Surendran	PNB Housing Finance Limited	Risk Management Committee	Chairperson	Non-Executive
			Nomination and Remuneration Committee	Member	
			Corporate Social Responsibility Committee	Member	
			Stakeholders Relationship Committee	Member	
5.	Amit Kumar Srivastava	NIL	NIL	NIL	NIL
6.	D. Anandan	NIL	NIL	NIL	NIL
7.	Dr. Uma Sankar	NIL	NIL	NIL	NIL
8.	Ambarish Ojha	NIL	NIL	NIL	NIL
9.	Vandana Bhagavatula	NIL	NIL	NIL	NIL

2.4 Details of Board Meetings held during the year:

Sr. No.	Date of the Meeting	Total Number of Directors on the Board	Number of Directors present in the Meeting
1.	08.04.2025	10	10
2.	30.04.2025	10	8
3.	07.05.2025	10	8
4.	16-17.05.2025	10	10
5.	30.05.2025	10	9
6.	27.06.2025	9	9

Sr. No.	Date of the Meeting	Total Number of Directors on the Board	Number of Directors present in the Meeting
7.	22.07.2025	9	8
8.	29.07.2025	9	9
9.	30.07.2025	9	9
10.	12.08.2025	9	8
11.	28.08.2025	9	8
12.	29.08.2025	10	9
13.	24.09.2025	10	9
14.	18.10.2025	9	9

Sr. No.	Date of the Meeting	Total Number of Directors on the Board	Number of Directors present in the Meeting
15.	06.11.2025	9	9
16.	01.12.2025	9	9
17.	08.01.2026	9	9
18.	19.01.2026	9	9
19.	25.02.2026	9	8
20.	25.03.2026	9	8

2.5 The details of number of Board Meetings & the last Annual General Meeting (AGM) attended by Directors during the Financial Year are as under:

Sr. No.	Name of Directors (Shri/Smt.)	Board Meetings held during their tenure	Board Meetings attended	Attendance in last AGM
1.	K. G. Ananthakrishnan	15	15	Yes
2.	Ashok Chandra	20	20	Yes
3.	Kalyan Kumar	13	13	No
4.	M. Paramasivam	20	18	No
5.	Bibhu Prasad Mahapatra	20	18	Yes
6.	D. Surendran	20	19	Yes
7.	Amit Kumar Srivastava	5	4	N.A.
8.	Pankaj Sharma	7	6	No
9.	D. Anandan	13	11	N.A.
10.	Dr. Uma Sankar	20	19	No
11.	Jatinder Singh Bajaj	5	3	N.A.
12.	Ambarish Ojha	20	20	Yes
13.	Vandana Bhagavatula	9	9	N.A.

Note: 1. N.A. indicates Not a Director during the relevant period.

2.6 Brief Profile of Directors appointed/nominated during the Financial Year is given below:

i. Shri Amit Kumar Srivastava, Executive Director

Shri Amit Kumar Srivastava assumed charge as the Executive Director on the Board of Punjab National Bank on 24th November, 2025.

Shri Srivastava started his banking career in the erstwhile Oriental Bank of Commerce as an Officer in March 1994 and has had an illustrious career, serving the Bank across various verticals. He brings with him over 31 years of rich and multi-dimensional Banking experience.

Over the course of his career, he has held several key operational and leadership positions across Branch Banking, Treasury Management, Risk Management, Credit Review & Monitoring, Zonal Manager of PNB's erstwhile Jodhpur Zone. His last assignment before being promoted to ED was that of Group Chief Risk Officer (GCRO) of PNB.

An alumnus of BHU, he holds a Master's degree in Science and a Post Graduate Diploma in Treasury & Forex Management from ICFAI. He has also qualified globally recognised certification on Sustainability and Climate Risk (SCR) from GARP (USA), Professional Risk Manager and Risk in Financial Services.

ii. Shri D. Anandan, IAS, GoI Nominee Director

Shri D. Anandan has been appointed as a Government of India Nominee Director on the Board of Punjab National Bank with effect from 24th July, 2025.

Shri. D. Anandan is an Indian Administrative Service (IAS) Officer of 2000 Batch belonging to Sikkim Cadre, currently serving as Additional Secretary,

Department of Expenditure, Ministry of Finance, Government of India.

Prior to this assignment, Shri D. Anandan had held important positions in Government of Sikkim, heading Departments such as Rural Development Department, Health & Family Welfare Department, Commerce and Industries Department, etc. and served as Chief Electoral Officer, Sikkim under the Election Commission of India. He was also posted as Joint Development Commissioner, Special Economic Zones, Tamil Nadu and as Chairman and Executive Director of Rubber Board of India under the Department of Commerce, Government of India. He has vast experience in both Policy making and implementation of Government Schemes and Programmes.

Shri D. Anandan is an IAS, M. Com and a qualified Cost and Management Accountant.

iii. **Smt. Vandana Bhagavatula, Shareholder Director**

Smt. Vandana Bhagavatula was deemed elected as Shareholder Director on the Board of the Bank with effect from 29th August, 2025.

Smt. Bhagavatula, is a B. Com, Chartered Accountant (FCA) and holds a Diploma in Information Systems Audit (DISA). She has knowledge and experience in accountancy, banking, finance, audit, risk and IT.

She has 25 years of experience and has worked in various organizations at Senior Executive positions. At present, she is an Honorary Advisor to Dr. S. Natarajan's - Sundaram Natarajan Blind Free India Foundation.

She was a Non-Executive Independent Woman Director at Shakti Pumps (India) Limited from 20th March 2025 to 6th December, 2025. She worked as Vice President, Compliance in HDFC Bank Ltd.

from May 2022 to September 2022. Prior to her assignment in HDFC Bank Ltd., she was a Director in Aneja Associates from November 2019 till May 2022 where she managed the entire gamut of audit activities in Banks, financial institutions and software & technology companies.

Earlier in her career, she was the proprietress at VB & Associates, Chartered Accountants, Mumbai.

3. COMMITTEES OF THE BOARD

The Board of Directors of the Bank has constituted 19 Committees of Directors to look into different areas of strategic importance in terms of Reserve Bank of India/ Government of India/ SEBI Guidelines.

3.1 Audit Committee of the Board (ACB)

Brief description and terms of reference:

The Audit Committee of the Board has been constituted in terms of RBI (Commercial Banks - Governance) Directions, 2025 dated 28.11.2025, DFS, MoF, GoI communication F.No. 16/11/2015-BO.I dated 17.06.2016 and Regulation 18 of SEBI (LODR) Regulations, 2015.

The main functions of the Committee are:

- To oversee the overall inspection and audit functions of the Bank, review financial statements and auditor's report thereon, review of accounting policies, whistle blower mechanism, compliance function of the Bank, oversee compliance of issues/ concerns raised in inspection reports of RBI.
- Study and deliberate on the reports placed under Calendar of Reviews of the ACB in terms of RBI letter no. DBS.ARS.BC.No.4/08.91.020/2010-11 dated 10.11.2010.
- Review One Time Settlement of Non-Performing Assets (NPAs), etc. sanctioned

by Management Committee of the Board (MCB) in terms of DFS Letter F.No.7/22/2013-BOA dated 05.03.2015.

- Meeting the Head of Internal Audit (HIA) at least once a quarter, without the presence of the senior management, including the MD & CEO/ WTDs in terms of RBI Notification Ref. No. DoS.CO.PPG./SEC.04/11.01.005/2020-21 dated 07.01.2021.
- Interacting with the Chief Compliance Officer (CCO) quarterly, without the presence of the senior management, including MD & CEO in terms of RBI Notification Ref. No. DoS.CO.PPG./SEC.02/11.01.005/2020-21 dated 11.09.2020.
- Conducting review as specified in Part C of Schedule II in terms of Regulation 18(3) of SEBI LODR.

The Company Secretary of the Bank acts as the Secretary to the Committee in terms of Regulation 18(1)(e) of SEBI (LODR) Regulations, 2015.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ambarish Ojha	01.04.2025-31.03.2026	Shareholder Director, Member (Chairperson from 01.04.2025-29.08.2025)
2.	Vandana Bhagavatula	29.08.2025-31.03.2026	Shareholder Director (Chairperson w.e.f. 29.08.2025)
3.	Dr. Uma Sankar	01.04.2025-31.03.2026	RBI Nominee Director
4.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Member

*ceased to be a member during the year

The Audit Committee remained non-functional w.e.f. 11.06.2025 to 28.08.2025 due to unavailability of adequate number of Independent Directors on the Bank's Board.

Details of meetings held during the Financial Year:

Sr. No.	Date of Meeting	Total No. of Directors of the Committee	No of Directors Present in the Meeting
1.	21.04.2025	3	3
2.	07.05.2025	3	3
3.	19.05.2025	3	3
4.	15.09.2025	3	3
5.	17.10.2025	3	3
6.	18.10.2025	3	3
7.	03.12.2025	3	3
8.	19.01.2026	3	3
9.	23.01.2026	3	3
10.	12.02.2026	3	3
11.	11.03.2026	3	3
12.	24.03.2026	3	3

No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/ Smt.)	Meetings held during their tenure	Meetings attended
1.	Dr. Uma Sankar	12	12
2.	Jatinder Singh Bajaj	3	3
3.	Ambarish Ojha	12	12
4.	Vandana Bhagavatula	9	9

3.2 Risk Management Committee of the Board

Brief description and terms of reference:

The constitution of the Committee is in terms of RBI (Commercial Banks - Governance) Directions, 2025 dated 28.11.2025 and Regulation 21 of SEBI (LODR) Regulations 2015.

The main functions of the Committee are spelt out herein below, RMCB shall:

- (i) Devise the policy and strategy for integrated risk management containing various risks exposures of the Bank including Credit risk, Market risk, Operational risk, etc. Further, in terms of RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 07.11.2023, the risk management policy of the Bank includes IT related risks, including the Cyber Security related risks, and the RMCB in consultation with the IT Strategy Committee of the Board shall periodically review and update the same at least once a year.
- (ii) Effectively oversee deliberations of the Asset Liability Management Committee (ALCO), Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC), Group Risk Management Committee (GRMC), Market Risk Management Committee (MRMC), etc.
- (iii) Periodically review adherence to the Risk Appetite Framework of the Bank and fix accountability in the event of breach of approved Risk Appetite.
- (iv) Promote enterprise risk management competence throughout the Bank including facilitating development of IT-related enterprises risk management expertise.
- (v) Establishment and oversight of enterprise wide risk management.
- (vi) Oversee the effectiveness of the framework for Early Warning Signal (EWS) and Red Flagged Account (RFA).
- (vii) Meet the Chief Risk Officer (CRO), without the presence of the MD & CEO, at least once a quarter in terms of the RBI (Commercial Banks - Governance) Directions, 2025 dated 28.11.2025.
- (viii) Monitor and review the risk management plan specifically covering cyber security

and such other functions as may be delegated by the Board of Directors in terms of Regulation 21 of SEBI LODR.

- (ix) Manage responsibilities as prescribed in Part D of Schedule II of SEBI LODR.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Chairperson
2.	Ambarish Ojha	01.04.2025-31.03.2026	Shareholder Director, Chairperson (w.e.f. 29.08.2025 and Member from 01.04.2025-29.08.2025)
3.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Member
4.	Amit Kumar Srivastava	24.11.2025-31.03.2026	Executive Director, Member
5.	Vandana Bhagavatula	29.08.2025-31.03.2026	Shareholder Director, Member

*ceased to be a member during the year

Upon reconstitution of the Committees by the Board, the Risk Management Committee was non-functional w.e.f. 11.06.2025 to 28.08.2025 due to unavailability of adequate number of Independent Directors on the Bank's Board.

Details of meetings held during the financial year:

Sr. No.	Date of Meeting	Total No. of Directors of the Committee	No of Directors Present in the Meeting
1.	20.05.2025	4	4
2.	11.09.2025	4	4
3.	15.11.2025	4	4
4.	07.01.2026	4	4
5.	23.02.2026	4	4
6.	24.03.2026	4	4

No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ashok Chandra	6	6
2.	M. Paramasivam	3	3
3.	Amit Kumar Srivastava	3	3
4.	Jatinder Singh Bajaj	1	1
5.	Ambarish Ojha	6	6
6.	Vandana Bhagavatula	5	5

3.3 Stakeholders' Relationship Committee

Brief description and terms of reference:

The Committee has been constituted in terms of Regulation 20 of SEBI (LODR) Regulations, 2015 to specifically look into various aspects of interest of shareholders, debenture holders and other security holders.

In terms of Regulation 20(4) of SEBI (LODR) Regulations, 2015, the role of the Stakeholders Relationship Committee shall be as specified in Part D of the Schedule II. As per Schedule II, the role of the Committee shall, *inter-alia*, include the following:

- (i) Resolve the grievances of the security holders of the Bank including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.
- (ii) Review measures taken for effective exercise of voting rights by shareholders.
- (iii) Review adherence to the service standards adopted by the Bank in respect of various services being rendered by the Registrar to an Issue & Share Transfer Agent.
- (iv) Review the various measures and initiatives taken by the Bank for reducing

the quantum of unclaimed dividends and facilitating timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Bank.

- (v) Resolve grievances of debenture holders related to creation of charge, payment of interest/ principal, maintenance of security cover and any other covenants.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ambarish Ojha*	01.04.2025-29.08.2025	Shareholder Director, (Chairperson till 29.08.2025)
2.	Vandana Bhagavatula	29.08.2025-31.03.2026	Shareholder Director Chairperson w.e.f. 29.08.2025
3.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Member
4.	Kalyan Kumar*	01.04.2025-30.09.2025	Executive Director, Member
5.	Bibhu Prasad Mahapatra	01.10.2025-31.03.2026	Executive Director, Member

*ceased to be a member during the year

Details of meeting held during the financial year:

Sr. No.	Date of Meeting	Total No. of Directors of the Committee	No of Directors Present in the Meeting
1.	18.07.2025	3	3
2.	17.10.2025	3	3
3.	25.02.2026	3	3

No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ambarish Ojha	1	1
2.	Vandana Bhagavatula	2	2
3.	Ashok Chandra	3	3
4.	Kalyan Kumar	1	1
5.	Bibhu Prasad Mahapatra	2	2

Status of Shareholders’ Complaints received during the year:

Total no. of complaints received during FY 2025-26- 43

No. of complaints not resolved to the satisfaction of shareholders- Nil

No. of complaints pending as on 31.03.2026 - Nil

Shri Bikramjit Shom, Company Secretary is the Compliance Officer of the Bank in terms of Regulation 6 of SEBI (LODR) Regulations, 2015

3.4 Nomination and Remuneration Committee

Brief description and terms of reference:

The Committee has been constituted in terms of RBI (Commercial Banks – Governance) Directions, 2025 dated 28.11.2025 and Regulation 19 of SEBI (LODR) Regulations, 2015.

The main functions of the Committee are as under:

- (i) To examine the information provided in the signed declarations by members who file their nominations for election for Directorship under clause (i) of sub-section (3) of Section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 / 1980 to determine whether the person’s candidature should be accepted, based on the ‘Fit and Proper’ Criteria under the RBI (Commercial Banks – Governance) Directions, 2025 dated 28.11.2025.

- (ii) To perform the role as specified in Part D of the Schedule II under Regulation 19(4) of SEBI (LODR) Regulations, 2015.

The Committee was non-functional as on 31.03.2026.

Changes in composition during the year:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Chairperson
2.	Ambarish Ojha	01.04.2025-07.11.2025	Shareholder Director, Chairperson (w.e.f. 29.08.2025 and Member from 01.04.2025-29.08.2025)
3.	K. G. Ananthakrishnan*	01.04.2025-06.11.2025	Non-Executive Chairman, Member
4.	Vandana Bhagavatula	29.08.2025-07.11.2025	Shareholder Director, Member

*ceased to be a member during the year

Upon reconstitution of the Committees by the Board, the Committee became non-functional w.e.f. 11.06.2025 due to unavailability of adequate number of Independent Directors on the Bank’s Board. The Committee became functional w.e.f. 29.08.2025. However, the Committee again became non-functional w.e.f. 07.11.2025 due to unavailability of Independent Directors.

Details of meeting held during the financial year:

No meeting of the Committee was held during the year. As the Committee was non-functional, the agenda was placed to and considered and approved by the Board in its meeting held on 28.08.2025.

Board’s evaluation of performance of Independent Directors:

In terms of DFS, MoF, Government of India Notification F.No. 6/20/2019-BO.I dated 30.08.2019, the evaluation of performance of Independent Directors is based on the following parameters:

- a) Professional and Ethical Conduct observed:

Sr. No.	Attribute
1.	Acting in accordance with provisions of laws, rules and regulations
2.	Acting in the best interest of the Bank
3.	Exercise of due and reasonable care, skill, diligence and independent judgement
4.	Avoidance of direct or indirect conflicts of interest
5.	Avoidance of undue gain or advantage either to self or relatives, partners or associates
6.	Maintaining confidentiality of information, including commercial secrets and unpublished market sensitive information

- b) Contribution:

Sr. No.	Attribute
1.	Striving to attend all Board and committee meetings
2.	Seeking appropriate clarification or amplification of information where necessary
3.	Display of requisite knowledge and expected level of awareness of the Bank and external environment in meetings and comments
4.	Contribution in terms of constructive ideas, guidance and knowledge for better decision-making and management of Bank's affairs
5.	Timeliness of feedback on decisions being taken by the Bank

3.5 Management Committee of the Board (MCB)

Brief description and terms of reference:

The Committee has been constituted in terms of Clause 13 of Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970.

As per Clause 13(3) of the Scheme, the MCB shall exercise such powers of the Board including *inter-alia* the powers to sanction credit and loan compromise/ write-off proposals, as may be delegated to it by the Board.

Further, the Committee exercises financial powers of the Board and sanctions capital and revenue expenditure in terms of policies approved by the Board.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
2.	Kalyan Kumar*	01.04.2025-30.09.2025	Executive Director, Member
3.	M. Paramasivam	01.04.2025-31.03.2026	Executive Director, Member
4.	Bibhu Prasad Mahapatra	01.04.2025-31.03.2026	Executive Director, Member
5.	D. Surendran	01.04.2025-31.03.2026	Executive Director, Member
6.	Amit Kumar Srivastava	26.11.2025-31.03.2026	Executive Director, Member
7.	Dr. Uma Sankar	01.04.2025-31.03.2026	RBI Nominee Director, Member

*ceased to be a member during the year

Details of Meetings held during the financial year:

No. of Meetings held: 29

Dates of Meetings:

24.04.2025	18.07.2025	19.09.2025	10.12.2025	07.02.2026
30.04.2025	28.07.2025	25.09.2025	16.12.2025	19.02.2026
19.05.2025	05.08.2025	17.10.2025	24.12.2025	11.03.2026
31.05.2025	12.08.2025	28.10.2025	08.01.2026	24.03.2026
16.06.2025	28.08.2025	15.11.2025	13.01.2026	30.03.2026
25.06.2025	11.09.2025	03.12.2025	23.01.2026	-

No. of Meetings attended by Member- Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ashok Chandra	29	29
2.	Kalyan Kumar	14	12
3.	M. Paramasivam	29	25
4.	Bibhu Prasad Mahapatra	29	26
5.	D. Surendran	29	28
6.	Amit Kumar Srivastava	12	10
7.	Dr. Uma Sankar	29	29

3.6 Credit Approval Committee of the Board (HOCAC- III)

Brief description and terms of reference:

The Committee has been constituted in terms of Clause 13A of the Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970, Department of Financial Services (DFS), Ministry of Finance (MoF) Notification No.13/1/2006 dated 05.12.2011 and DFS Notification F.No.4/4/2015-BO.I(pt.) dated 30.10.2015.

In terms of DFS, MoF, GoI Notification No. 13/1/2006-BO.I dated 31.01.2012, the Board has delegated powers to the Credit Approval Committee in respect of sanction of credit and loan compromise/ write off proposals.

In terms of the Nationalized Banks (Management and Miscellaneous Provisions) Scheme, as amended from time to time, the Credit Approval Committee shall exercise the powers of the Board with regard to credit proposals as under:

In Banks with Net NPA less than 6% of net advances	Net NPA 6% and above of net advances
Up to ₹800 crores in case of Banks having total business of more than ten lakh crores rupees.	Up to ₹400 crores in case of the category "A" Banks having business of three lakh crores rupees or more.

Net NPA, Net Advances and total business shall be reckoned as per the last declared results of the Bank and the expression "total business" means the summation of the gross loans and advances and the total deposits of the Bank.

As per the last declared results, Bank has total business of more than ₹10 lakh crores and net NPA less than 6% of net advances. Therefore, sanctioning power of HOCAC-III in PNB is ₹800 crores of aggregate commitment per borrower.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
2.	Kalyan Kumar*	01.04.2025-30.09.2025	Executive Director, Member
3.	M. Paramasivam	01.04.2025-31.03.2026	Executive Director, Member

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
4.	Bibhu Prasad Mahapatra	01.04.2025-31.03.2026	Executive Director, Member
5.	D. Surendran	01.04.2025-31.03.2026	Executive Director, Member
6.	Amit Kumar Srivastava	26.11.2025-31.03.2026	Executive Director, Member
7.	Chief General Manager/ General Manager in-charge of Credit	01.04.2025-31.03.2026	Member
8.	Chief General Manager/ General Manager in-charge of Finance	01.04.2025-31.03.2026	Member
9.	Chief General Manager/ General Manager in-charge of Risk Management	01.04.2025-31.03.2026	Member

*ceased to be a member during the year

Details of meetings held during the financial year:

No. of Meetings held: 48

Dates of Meetings:

05.04.2025	26.06.2025	11.09.2025	29.11.2025	07.02.2026
11.04.2025	04.07.2025	20.09.2025	06.12.2025	18.02.2026
21.04.2025	08.07.2025	26.09.2025	12.12.2025	27.02.2026
01.05.2025	15.07.2025	04.10.2025	18.12.2025	07.03.2026
08.05.2025	23.07.2025	10.10.2025	23.12.2025	13.03.2026
15.05.2025	02.08.2025	16.10.2025	31.12.2025	18.03.2026
26.05.2025	11.08.2025	23.10.2025	06.01.2026	26.03.2026
04.06.2025	21.08.2025	01.11.2025	13.01.2026	30.03.2026

10.06.2025	27.08.2025	11.11.2025	21.01.2026	-
18.06.2025	03.09.2025	20.11.2025	30.01.2026	-

No. of Meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ashok Chandra	48	48
2.	Kalyan Kumar	23	20
3.	M. Paramasivam	48	41
4.	Bibhu Prasad Mahapatra	48	35
5.	D. Surendran	48	41
6.	Amit Kumar Srivastava	18	15

3.7 Committee of the Board to monitor the progress in Recovery

Brief description and terms of reference:

The Committee has been constituted in terms of DFS, MoF, GoI letter F.No.7/112/2012-BOA dated 21.11.2012 and F.No.7/2/2015-Recovery dated 01.01.2016.

The functions of the Committee *inter-alia* include:

- (i) Monitoring stressed assets particularly large NPA accounts of the Bank.
- (ii) Reviewing ways and strategies to improve the NPA management and effective utilization of various tools to expedite Recovery.
- (iii) Monitoring the progress in Recovery of NPAs including prudential written off accounts.
- (iv) Reviewing the status of cases/ RCs pending at DRTs/ DRATs/ NCLT cases.
- (v) Reviewing the credit monitoring mechanism and status of irregular/ weak accounts and steps for prevention of NPAs.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
2.	M. Paramasivam*	01.04.2025-24.11.2025	Executive Director, Member
3.	Bibhu Prasad Mahapatra	01.04.2025-31.03.2026	Executive Director, Member
4.	Amit Kumar Srivastava	24.11.2025-31.03.2026	Executive Director, Member
5.	Ambarish Ojha	01.04.2025-31.03.2026	Shareholder Director, Member

*ceased to be a member during the year

Details of meetings held during the financial year:

No. of Meetings held: 4

Dates of Meetings:

20.05.2025	13.08.2025	16.12.2025	24.02.2026
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No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ashok Chandra	4	4
2.	M. Paramasivam	2	2
3.	Bibhu Prasad Mahapatra	4	3
4.	Amit Kumar Srivastava	2	1
5.	Ambarish Ojha	4	4

3.8 Committee for Review of identification of Wilful Defaulters

Brief description and terms of reference:

The Committee has been constituted in terms of Reserve Bank of India (Commercial Banks – Treatment of Wilful Defaulters and Large Defaulters) Directions, 2025 dated 28.11.2025. In terms of the said directions, Banks may, as per their Board-approved policy, form multiple Review Committees. As per the Bank’s Policy, the Committee shall review classification of wilful defaulters in NPA accounts having outstanding above ₹50.00 crores in respect of credit facilities below a threshold.

Further, in terms of RBI Directions, the Review Committee shall provide an opportunity for a personal hearing to the NPA borrower/ their guarantor/ promoter/ director/ persons who are in charge and responsible for the management of affairs of the entity. However, if the opportunity is not availed or if the personal hearing is not attended, the Review Committee shall, after assessing the facts or material on record, including written representation, if any, consider the proposal of the Identification Committee and take a decision.

The Review Committee shall pass a reasoned order and the same shall be communicated to the wilful defaulter.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
2.	K. G. Ananthkrishnan*	11.06.2025-29.08.2025	Non-Executive Chairman, Member
3.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Member
4.	Ambarish Ojha	01.04.2025-31.03.2026	Shareholder Director, Member
5.	Vandana Bhagavatula	29.08.2025-31.03.2026	Shareholder Director, Member

*ceased to be a member during the year

The Committees were reconstituted on 11.06.2025.

Details of meetings held during the financial year:

No. of Meetings held: 4

Dates of Meetings:

21.04.2025	28.08.2025	01.12.2025	25.03.2026
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No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	K. G. Ananthkrishnan	1	1
2.	Ashok Chandra	4	4
3.	Jatinder Singh Bajaj	1	1
4.	Ambarish Ojha	4	4
5.	Vandana Bhagavatula	2	2

3.9 Special Committee of the Board for Monitoring and Follow-up of cases of Frauds

Brief description and terms of reference:

The Committee has been constituted in terms of RBI’s Master Directions on ‘Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions’ dated July 15, 2024 and DFS Notification F.No.4/4/2015-BO.I(pt.) dated 30.10.2015.

The functions of the Committee are to:

- (i) Oversee the effectiveness of the fraud risk management in the Bank;
- (ii) Review and monitor cases of frauds, including root cause analysis and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds. The coverage and periodicity of such reviews shall be decided by the Board of the Bank.

- (iii) Cases remaining in red-flagged status beyond 180 days shall be reported with adequate reasoning/ justification to the Committee for review.

Note: A Red Flagged Account is one where suspicion of fraudulent activity is manifested by the presence of one or more EWS indicators, alerting / triggering deeper investigation from potential fraud angle and initiating preventive measures by the Banks.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	K. G. Ananthkrishnan*	01.04.2025-06.11.2025	Non-Executive Chairman, Chairperson
2.	D. Anandan	28.07.2025-31.03.2026	Gol Nominee Director, Chairperson w.e.f. 07.11.2025
3.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Member
4.	M. Paramasivam*	01.04.2025-24.11.2025	Executive Director, Member
5.	Amit Kumar Srivastava	24.11.2025-31.03.2026	Executive Director, Member
6.	Pankaj Sharma*	01.04.2025-24.07.2025	Gol Nominee Director, Member
7.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Member
8.	Vandana Bhagavatula	07.11.2025-31.03.2026	Shareholder Director, Member

*ceased to be a member during the year

The Committee was reconstituted on 11.06.2025.

Details of meetings held during the financial year:

No. of Meetings held: 4

Dates of Meetings:

20.05.2025	29.08.2025	01.12.2025	25.02.2026
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No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	K. G. Ananthakrishnan	2	2
2.	Ashok Chandra	4	4
3.	M. Paramasivam	2	2
4.	Amit Kumar Srivastava	2	2
5.	Pankaj Sharma	1	1
6.	D. Anandan	3	2
7.	Jatinder Singh Bajaj	1	1
8.	Vandana Bhagavatula	2	2

3.10 I.T. Strategy Committee of the Board

Brief description and terms of reference:

The Committee has been constituted as per RBI Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated 07.11.2023 to ensure that Corporate Governance initiatives encompasses IT Governance as well to advice on strategic posture on IT & IT Security and to review IT investments on Board's behalf.

The Committee is mandated to *inter-alia*:

- (i) Ensure that the Bank has put an effective IT strategic planning process in place;

- (ii) Guide IT Strategies and ensure that they align to the overall strategy of the Bank for accomplishment of its business objectives;
- (iii) Satisfy that the IT Governance and Information Security Governance structure foster accountability, effectiveness and efficiency, presence of adequate skilled resources, defined objectives and delegated responsibilities at each level in the organisation;
- (iv) Ensure that the Bank has put in place processes for assessing and managing IT and cyber risks;
- (v) Ensure that the budgetary allocations for the IT function (including for IT security) and cyber security are commensurate to the Bank's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives; and
- (vi) Review, at least annually, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Bank.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ambarish Ojha	01.04.2025-31.03.2026	Shareholder Director, Chairperson
2.	K. G. Ananthakrishnan*	01.04.2025-29.08.2025	Non-Executive Chairman, Member
3.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Member
4.	M. Paramasivam*	01.04.2025-24.11.2025	Executive Director, Member
5.	D. Surendran	01.04.2025-31.03.2026	Executive Director, Member

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
6.	Amit Kumar Srivastava	24.11.2025-31.03.2026	Executive Director, Member
7.	Vandana Bhagavatula	29.08.2025-31.03.2026	Shareholder Director, Member
8.	Chief Information Security Officer (CISO)	01.04.2025-31.03.2026	Invitee

*ceased to be a member during the year

Details of meetings held during the financial year:

No. of Meetings held: 7

Dates of Meetings:

20.05.2025	27.06.2025	18.07.2025	13.08.2025
25.09.2025	16.12.2025	24.02.2026	-

No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	K. G. Ananthakrishnan	4	4
2.	Ashok Chandra	7	7
3.	M. Paramasivam	5	3
4.	D. Surendran	7	7
5.	Amit Kumar Srivastava	2	1
6.	Ambarish Ojha	7	7
7.	Vandana Bhagavatula	3	3

3.11 Customer Service Committee of the Board

Brief description and terms of reference:

The Committee has been constituted in terms of Reserve Bank of India (Commercial Banks – Responsible Business Conduct) Directions, 2025 dated 28.11.2025 to enable the Bank

to formulate policies and internally assess the standard of compliance thereof with a view to improve progressively the customer service in the Bank.

- (i) Customer Service Committee of the Board, illustratively oversee and review the following:
- formulation of a Comprehensive Deposit Policy,
 - processing claims in the event of demise of the depositor,
 - approving the products considering its demand and relevance,
 - conducting annual survey of depositor satisfaction and tri-ennial audit of such services.

- (ii) The Committee examines any other issues having a bearing on the customer service standard.

- (iii) The Bank has a Standing Committee on Customer Service, represented by various departments serving as a micro level executive committee to drive the implementation of processes and gather relevant feedback. The Customer Service Committee of the Board reviews the initiatives of the lower Committees and both complement each other in the quest for achieving excellence.

- (iv) The Standing Committee submits a brief periodic report to the Customer Service Committee of the Board on its performance during its tenure covering, *inter-alia*, the areas reviewed, procedures/ practices identified and simplified / introduced.

- (v) The Branch Level Customer Service Committees submits quarterly reports to the Standing Committee on Customer Service enabling it to examine and provide relevant feedback to the Customer Service Committee of the Board for necessary policy actions.

(vi) The Committee periodically monitors the progress of the Bank towards accomplishment of customer delight and addressing critical issues such as providing ramps at the branches and ATMs for differently abled customers, provision of basic amenities (like clean washrooms and drinking water) at branches.

(vii) Bank shall report to the Customer Service Committee of the Board, at appropriate intervals, on an ongoing basis, the details of the number of claims received pertaining to deceased depositors / locker-hirers / depositors of safe custody article accounts and those pending beyond the stipulated period, giving reasons therefor.

Further, in terms of the RBI (Commercial Banks - Internal Ombudsman) Directions, 2026 dated 14.01.2026:

(i) The Customer Service Committee of the Board of the Bank shall determine, at least once in a year, the number of Internal Ombudsman / Deputy Internal Ombudsman to be appointed having due regard to volume and complexity of the complaints received, and ensuring that the Internal Ombudsman / Deputy Internal Ombudsman get sufficient time to apply his/ her mind on the principles of fairness, equity and natural justice while reviewing the resolution provided by the Bank.

(ii) In a rare case where both Internal Ombudsman(s) and Deputy Internal Ombudsman(s) are on leave / absent, the Bank may designate its serving official equivalent to the General Manager rank as the Internal Ombudsman for a period not exceeding one month, with the approval of the Customer Service Committee of the Board.

(iii) The Internal Ombudsman / Deputy Internal Ombudsman shall not be removed before the completion of his/her contracted term without the approval of the Customer Service Committee of the Board.

(iv) The Customer Service Committee of the Board of the Bank shall determine the structure of emoluments, facilities and benefits accorded to the Internal Ombudsman / Deputy Internal Ombudsman, which should be appropriate keeping in view the stature and position of the Internal Ombudsman / Deputy Internal Ombudsman being at the apex of the grievance redressal mechanism of the Bank as also the need to attract experienced persons with requisite expertise.

(v) The Internal Ombudsman shall report to the Competent Authority, as defined under clause 4(1)(b) of the Directions, of the Bank administratively and to the Customer Service Committee of the Board of the Bank functionally.

(vi) While the Internal Ombudsman may decide any or all complaints, the power for the Deputy Internal Ombudsman to decide the complaints may be defined under a policy approved by the Customer Service Committee of the Board.

(vii) The Internal Ombudsman shall furnish periodic reports (including the analysis of complaints) on his / her activities to the Customer Service Committee of the Board, preferably at quarterly, but not less than half yearly, intervals.

(viii) All such cases where the decision of the Internal Ombudsman / Deputy Internal Ombudsman has been overruled by the Competent Authority shall be placed before the Customer Service Committee of the Board of the Bank for review.

(ix) Reflect on the complaints decided by the RBI Ombudsman and direct need-based improvisation in the systems and processes to enhance customer service in the Bank.

(x) While assessing the performance of the Internal Ombudsman / Deputy Internal Ombudsman, the Committee analyses review pendency, uniformity of redressals and variance between Internal Ombudsman and RBI Ombudsman orders.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
2.	D. Surendran	01.04.2025-31.03.2026	Executive Director, Member
3.	Bibhu Prasad Mahapatra	01.04.2025-31.03.2026	Executive Director, Member
4.	Vandana Bhagavatula	29.08.2025-31.03.2026	Shareholder Director, Member
5.	Ambarish Ojha	01.04.2025-31.03.2026	Shareholder Director, Invitee (Member from 01.04.2025-29.08.2025)

Details of meetings held during the financial year:

No. of Meetings held: 4

Dates of Meetings:

20.05.2025	13.08.2025	28.10.2025	23.02.2026
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No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ashok Chandra	4	4
2.	Bibhu Prasad Mahapatra	4	3
3.	D. Surendran	4	3
4.	Ambarish Ojha	2	2
5.	Vandana Bhagavatula	2	2

3.12 Committee of Directors to review Vigilance and Non-Vigilance Cases

Brief description and terms of reference:

The Committee has been constituted in terms of guidelines issued by Department of Economic Affairs - Banking Division - Vigilance Section, MoF, GoI vide its communication No. 10/12/90/VIG/CVOs dated 24.10.1990 to review vigilance disciplinary cases, departmental enquiries and to monitor the speedy disposal of disciplinary enquiries.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
2.	M. Paramasivam*	01.04.2025-24.11.2025	Executive Director, Member
3.	D. Surendran	01.04.2025-31.03.2026	Executive Director, Member
4.	Amit Kumar Srivastava	24.11.2025-31.03.2026	Executive Director, Member
5.	Pankaj Sharma*	01.04.2025-24.07.2025	GoI Nominee Director, Member
6.	D. Anandan	28.07.2025-31.03.2026	GoI Nominee Director, Member
7.	Dr. Uma Sankar	01.04.2025-31.03.2026	RBI Nominee Director, Member

*ceased to be a member during the year

Details of meetings held during the financial year:

No. of Meetings held: 4

Dates of Meetings:

19.05.2025	29.08.2025	03.12.2025	25.02.2026
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No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ashok Chandra	4	4
2.	M. Paramasivam	2	2
3.	D. Surendran	4	4
4.	Amit Kumar Srivastava	2	2
5.	Pankaj Sharma	1	1
6.	D. Anandan	3	2
7.	Dr. Uma Sankar	4	4

3.13 Directors' Promotion Committee

Brief description and terms of reference:

The Committee has been constituted in terms of DFS, MoF, Gol letter F.No.4/3/1/2012-IR dated 01.02.2023 to act as the Selection Committee for promotion of officers in Scale VI (DGM) and Scale VII (GM).

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
2.	Pankaj Sharma*	01.04.2025-24.07.2025	Gol Nominee Director, Member
3.	D. Anandan	28.07.2025-31.03.2026	Gol Nominee Director, Member
4.	Dr. Uma Sankar	01.04.2025-31.03.2026	RBI Nominee Director, Member
5.	Two Independent Domain Experts	01.04.2025-31.03.2026	Members

*ceased to be a member during the year

Details of meetings held during the financial year:

No. of Meetings held: 3

Dates of Meetings:

09.02.2026	10.02.2026	11.02.2026
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No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ashok Chandra	3	3
2.	Pankaj Sharma	0	0
3.	D. Anandan	3	3
4.	Dr. Uma Sankar	3	3

3.14 Appellate Authority and Reviewing Authority

Brief description and terms of reference:

The Committee has been constituted in terms of PNB Officer Employees' (Discipline and Appeal) Regulations, 1977 as the Appellate Authority for the Officers in Top Executive Grade (TEG) Scale VIII and Officers in TEG Scale VI/ VII in case of absence of MD & CEO or in cases where MD/CEO is functioning as Disciplinary Authority. Further, the Committee is the Reviewing Authority for Officers in TEG Scale VI/ VII.

The Committee was non-functional as on 31.03.2026.

Changes in composition during the year:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Chairperson
2.	K. G. Ananthakrishnan*	11.06.2025-06.11.2025	Non-Executive Chairman, Chairperson

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
3.	Pankaj Sharma*	01.04.2025-24.07.2025	Gol Nominee Director, Member
4.	D. Anandan	28.07.2025-07.11.2025	Gol Nominee Director, Member

*ceased to be a member during the year

The Committee was reconstituted on 11.06.2025 and became non-functional w.e.f. 07.11.2025.

No meeting of the Committee was held during the year.

3.15 Steering Committee of the Board on HR

Brief description and terms of reference:

The Committee has been constituted as per DFS, MoF, Gol letter F.No.9/18/2009-IR dated 21.10.2011 to implement the recommendations of the Khandelwal Committee on Human Resources Issues of the Public Sector Banks.

As per the recommendations of the Khandelwal Committee and approval of the Government, the Committee shall:

- (i) Review detailed and structured manpower planning exercise every year for a time spectrum of 5 years linking it with strategic and business plans.
- (ii) Provide guidance to institutionalize manpower planning with the help of outside expert advice, if required.
- (iii) Review the critical positions and system for succession planning so that each critical position is backed up by three potential successors in the reserve.

(iv) All other critical issues of HR.

Composition as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
2.	D. Surendran	01.04.2025-31.03.2026	Executive Director, Member
3.	Pankaj Sharma*	01.04.2025-24.07.2025	Gol Nominee Director, Member
4.	D. Anandan	28.07.2025-31.03.2026	Gol Nominee Director, Member
5.	Ambarish Ojha*	01.04.2025-29.08.2025	Shareholder Director, Member
6.	Vandana Bhagavatula	29.08.2025-31.03.2026	Shareholder Director, Member
7.	R. Anand	01.04.2025-31.03.2026	Member (outside expert)

*ceased to be a member during the year

Details of meetings held during the financial year:

No. of Meetings held: 10

Dates of Meetings:

21.04.2025	19.05.2025	25.06.2025	29.07.2025	28.08.2025
24.09.2025	06.11.2025	07.01.2026	25.02.2026	24.03.2026

No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ashok Chandra	10	10
2.	D. Surendran	10	10
3.	Pankaj Sharma	3	1
4.	D. Anandan	7	6
5.	Ambarish Ojha	5	5
6.	Vandana Bhagavatula	5	5

3.16 Committee to consider election of Shareholder Directors - Voting by Public Sector Banks

Brief description and terms of reference:

The Committee has been constituted in terms of DFS Circular No. 16/11/2012-BO-I dated 03.04.2012 to carefully consider the qualifications, experience, profile and background of various candidates and take decisions on supporting the candidates in the election for Shareholder Directors in various companies including various financial institutions in which the Bank is a shareholder.

In case of election of Shareholder director in Public Sector Banks, the requirement of the institution in terms of the expertise required in various fields will have to be taken into account. It may be ensured that only persons with specific authorization by name for a particular institution are allowed to exercise their voting rights.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
2.	Kalyan Kumar*	02.04.2025-30.09.2025	Executive Director, Member
3.	M. Paramasivam	01.04.2025-31.03.2026	Executive Director, Member
4.	Amit Kumar Srivastava	24.11.2025-31.03.2026	Executive Director, Member
5.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Member
6.	Ambarish Ojha	01.04.2025-31.03.2026	Shareholder Director, Member

*ceased to be a member during the year

No meeting of the Committee was held during the year.

3.17 Performance Evaluation Committee

The Committee is as per DFS, MoF, Gol notifications F. No. 9/5/2009-IR dated 30.08.2019 and 14.11.2019 as the Reporting/ Reviewing/ Accepting Authority for recording Annual Performance Appraisal Report (APAR) of CGM/ GM in charge of assurance functions (Risk, Compliance and Audit), Executive Directors and Managing Director & CEO.

In terms of DFS guidelines dated 06.02.2023, the Committee is the:

- Reporting authority, Reviewing authority and Accepting authority for recording of APAR of Managing Director and CEO;
- Reviewing authority and Accepting authority for recording of APAR of Executive Director/s; and
- Accepting authority for recording of APAR of CGMs/ GMs in charge of assurance functions (Risk, Compliance and Audit).

In terms of DFS guidelines dated 14.11.2019, the Committee shall:

- set up quantitative and qualitative Key Performance Indicators (KPIs) for evaluation of performance of GMs/ CGMs and EDs; and
- propose to the Bank's Board for its decision, achievement of qualitative and quantitative KPIs for evaluation of performance of the Managing Director and CEO.

The Committee was non-functional as on 31.03.2026 w.e.f. 07.11.2025.

Changes in composition during the year:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	K. G. Ananthakrishnan*	01.04.2025-06.11.2025	Non-Executive Chairman, Member
2.	Pankaj Sharma*	01.04.2025-24.07.2025	Gol Nominee Director, Member

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
3.	D. Anandan	28.07.2025-07.11.2025	Gol Nominee Director, Member
4.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Member
5.	Ambarish Ojha	11.06.2025-07.11.2025	Shareholder Director, Member

*ceased to be a member during the year

Details of meetings held during the financial year:

No. of Meetings held: 3

Dates of Meetings:

29.07.2025	12.08.2025	24.09.2025
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No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	K. G. Ananthakrishnan	3	3
2.	Pankaj Sharma	0	0
3.	D. Anandan	3	3
4.	Jatinder Singh Bajaj	0	0
5.	Ambarish Ojha	3	3

3.18 Business Review Committee

The Committee is formed by the Board in terms of Clause 14 of the Scheme, authorizing the Board to constitute such other Committees comprising of directors or mix of directors and other persons as may be deemed fit. The Business Review Committee was constituted by the Board at its meeting held on 19.03.2020 to review and advise on progress and optimization of Business under all verticals of the Bank.

Composition of the Committee as on 31.03.2026:

Sr. No.	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	K. G. Ananthakrishnan*	11.06.2025-06.11.2025	Non-Executive Chairman, Member
2.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
3.	Kalyan Kumar*	01.04.2025-30.09.2025	Executive Director, Member
4.	M. Paramasivam	24.10.2025-31.03.2026	Executive Director, Member
5.	Bibhu Prasad Mahapatra	01.04.2025-31.03.2026	Executive Director, Member
6.	D. Surendran	02.04.2025-31.03.2026	Executive Director, Member
7.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Member
8.	Ambarish Ojha	07.11.2025-31.03.2026	Shareholder Director, Member

*ceased to be a member during the year

Details of meetings held during the financial year:

No. of Meetings held: 4

Dates of Meetings:

30.05.2025	28.08.2025	06.11.2025	12.02.2026
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No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	K. G. Ananthakrishnan	2	2
2.	Ashok Chandra	4	4

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
3.	Kalyan Kumar	2	1
4.	M. Paramasivam	2	1
5.	Bibhu Prasad Mahapatra	4	2
6.	D. Surendran	4	4
7.	Jatinder Singh Bajaj	1	1
8.	Ambarish Ojha	1	1

3.19 Capital Raising Committee of the Board

The Committee is formed by the Board in terms of Clause 14 of the Scheme, authorizing the Board to constitute such other Committees comprising of directors or mix of directors and other persons as may be deemed fit. The Capital Raising Committee was constituted by the Board at its meeting held on 09.07.2020.

The role and scope of the Committee is as under:

- Deciding on various matters relating to raising of capital including but not limited to issue and allotment of equity shares such as type of issue, proportion, timing and pricing of the issue, appointment of Lead Managers, Legal Advisors, Underwriters as may be necessary and all such matters as may be involved or concerned in such offering of Equity Shares and also to enter into and execute all such arrangements/agreements etc., with such agencies, to seek the listing of Equity Shares issued on the Stock Exchanges where the Shares of the Bank are listed, to authorize officials to undertake all above mentioned activities.
- The Capital Plan for the Financial Year will be placed before the Board for approval through the Capital Raising Committee after recommendation of Capital Planning Committee and minutes of Capital Planning Committee to be placed to Capital Raising Committee for information.

Composition of the Committee as on 31.03.2026:

Sr. No	Name of the Director (Shri/Smt.)	Tenure	Category of Director
1.	Ashok Chandra	01.04.2025-31.03.2026	MD & CEO, Chairperson
2.	Kalyan Kumar*	01.04.2025-30.09.2025	Executive Director, Member
3.	Bibhu Prasad Mahapatra	01.10.2025-31.03.2026	Executive Director, Member
4.	D. Surendran	01.04.2025-31.03.2026	Executive Director, Member
5.	Jatinder Singh Bajaj*	01.04.2025-06.06.2025	Shareholder Director, Member
6.	Ambarish Ojha*	11.06.2025-28.08.2025	Shareholder Director, Member
7.	Vandana Bhagavatula	29.08.2025-31.03.2026	Shareholder Director, Member

*ceased to be a member during the year

Details of meetings held during the financial year:

No. of Meetings held: 1

Dates of Meetings:	25.03.2026
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No. of meetings attended by Member-Directors during the Financial Year:

Sr. No.	Name of Director (Shri/Smt.)	Meetings held during their tenure	Meetings attended
1.	Ashok Chandra	1	1
2.	Kalyan Kumar	0	0
3.	Bibhu Prasad Mahapatra	1	1
4.	D. Surendran	1	0
5.	Jatinder Singh Bajaj	0	0
6.	Ambarish Ojha	0	0
7.	Vandana Bhagavatula	1	1

4. REMUNERATION OF DIRECTORS:

The Managing Director & CEO and the Executive Directors are being paid remuneration by way of salary as per the structure framed by the Government of India. The details of remuneration paid to Whole Time Director(s) during the F.Y. 2025-26 are as under:

Sr. No	Name (Shri)	Designation	Emoluments paid (₹)*	Arrears Salary Fixation/ DA Arrears (₹)	PF Contribution (₹)	Medical (₹)	Performance Linked Incentive for FY 2024-25 (₹)
1.	Ashok Chandra	MD & CEO	4328539.99	84640.26	268000.00	130668.36	451695.48
2.	M. Paramasivam	Executive Director	4193330.00	1057540.00	266900.00	247444.59	2150400.00
3.	Bibhu Prasad Mahapatra	Executive Director	4175276.00	962477.42	265720.00	136242.99	2150400.00
4.	D. Surendran	Executive Director	4241036.38	0.00	268800.00	213814.30	46245.16
5.	Amit Kumar Srivastava	Executive Director	1498261.34	0.00	89600.00	56704.00	0.00
6.	Atul Kumar Goel	Ex- MD & CEO	0.00	0.00	0.00	0.00	1615680.00
7.	Kalyan Kumar^	Ex- Executive Director	2314208.34	47306.46	122316.65	56533.02	1953600.00
8.	Binod Kumar	Ex- Executive Director	0.00	953741.88	0.00	0.00	1699509.67

* includes Gratuity and Leave Encashment on retirement

^Appointment as MD & CEO of Central Bank of India on 30.09.2025, gratuity paid after elevation to MD of Central Bank of India

Terms of appointment including service contracts and notice period are as per Government guidelines. No severance fee is payable to any Director. Further, no stock options have been issued by the Bank to any of the Director.

The Bank does not pay any remuneration to the Non-Executive Directors except sitting fees to the Non-Executive Directors other than the Nominee Directors as approved by the Board in terms of the Government of India guidelines, for attending the meetings of the Board and its Committees.

The fees payable is as under: -

Sr. No.	Meeting	Sitting Fees payable per Meeting (₹) upto 27.10.2025	Sitting Fees payable per Meeting (₹) w.e.f 28.10.2025
(a)	Board	70,000/-	90,000/-
(b)	Committee of Board	35,000/-	45,000/-
(c)	For Chairing Board Meeting	20,000/- [in addition to (a) above]	10,000/- [in addition to (a) above]
(d)	For Chairing meeting of Committees	10,000/- [in addition to (b) above]	5,000/- [in addition to (b) above]

The total Sitting Fee paid to the Non-Executive Directors during the Financial Year 2025-26 was as under:

Sr. No.	Name of the Director (Shri/Smt.)	Sitting Fee paid (₹)
1.	K.G. Ananthakrishnan#	18,40,000/-
2.	Jatinder Singh Bajaj*	4,65,000/-
3.	Ambarish Ojha	33,95,000/-
4.	Vandana Bhagavatula	21,50,000/-

ceased to be a director upon completion of tenure on 06.11.2025

*ceased to be a director upon resignation w.e.f. 06.06.2025

Note: No sitting fee is payable to whole time directors and directors representing Government of India and Reserve Bank of India.

5. PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR:

a. Particulars of Senior Management as on 31.03.2026:

Sr. No.	Name (Shri/Smt.)	Designation	Place of Posting
1.	Raghvendra Kumar	Chief Vigilance Officer	Head Office
2.	Parveen Goyal	Zonal Manager - CGM	Zonal Office Delhi
3.	Deepak Kumar Srivastava	Zonal Manager - CGM	Zonal Office Mumbai
4.	Mrityunjay	Zonal Manager - CGM	Zonal Office Lucknow
5.	Binay Kumar Gupta	Zonal Manager - CGM	Zonal Office Kolkata
6.	Sunil Kumar Goyal	Chief General Manager	Digital Banking Transformation Division, Head Office
7.	Vishesh Kumar Srivastava	Chief General Manager	General Services & Administration Division, Head Office
8.	Sanjay Gupta	Chief General Manager	Inspection & Audit Division
9.	Mousumi Majumdar	Chief General Manager	Credit Review and Monitoring Division, Head Office
10.	Sanjeev Kumar Dhupar	Chief General Manager	Agriculture & Priority Sector and Financial Inclusion Division, Head Office
11.	Sanjeevan Nikhar	Group Chief Compliance Officer - CGM	Compliance Division & Transaction Monitoring Division, Head Office
12.	Firoz Hasnain	Chief General Manager	MSME & Mid Corporate Credit Division, Head Office

Sr. No.	Name (Shri/Smt.)	Designation	Place of Posting
13.	Raman Grover	Chief Financial Officer (CFO), Chief General Manager	Finance Division, Head Office
14.	Surindar Pal Singh	Chief General Manager	BA & RM, Head Office
15.	Sudhir Dalal	Chief General Manager	BA & RM, Head Office
16.	Dr. Rajesh Prasad	Chief General Manager	General Banking Division, Head Office
17.	Manish Agrawal	Chief General Manager	IT Division, Head Office
18.	S. Rajaguru	Chief General Manager	SASTRA Division, Head Office
19.	Dipankar Mahapatra	Chief General Manager	Corporate Credit Division, Head Office
20.	Sumesh Kumar	Chief General Manager	HRD Division, Head Office
21.	Pratap Keshari Mallick	Group Chief Risk Officer- GM	Integrated Risk Management Division, Head Office
22.	Parmesh Kumar	Zonal Manager - GM	Zonal Office Ludhiana
23.	Sanjiv Kumar	Zonal Manager - GM	Zonal Office Durgapur
24.	P Mahendar	Zonal Manager - GM	Zonal Office Chennai
25.	Nathu Ram Banjara	Zonal Manager - GM	Zonal Office Patna
26.	Kuldeep Singh Rana	Zonal Manager - GM	Zonal Office Meerut
27.	Ashish Kumar Chaturvedi	Zonal Manager - GM	Zonal Office Raipur
28.	Amritabh Anand	Zonal Manager - GM	Zonal Office Amritsar

Sr. No.	Name (Shri/Smt.)	Designation	Place of Posting
29.	Anupam	Zonal Manager - GM	Zonal Office Dehradun
30.	Vinish Kumar Chawla	Zonal Manager - GM	Zonal Office Ahmedabad
31.	Lalit Taneja	Zonal Manager - GM	Zonal Office Chandigarh
32.	Rajesh Kumar	Zonal Manager - GM	Zonal Office Shimla
33.	Bhushan Sharma	Zonal Manager - GM	Zonal Office Bhubaneswar
34.	Rajesh Bhowmick	Zonal Manager - GM	Zonal Office Jaipur
35.	Jatinder Mankotia	Zonal Manager - GM	Zonal Office Bhopal
36.	Debasish Gangopadhyay	Zonal Manager - GM	Zonal Office Guwahati
37.	Vandana Pandey	Zonal Manager - GM	Zonal Office Hyderabad
38.	Deepak Singh	Zonal Manager - GM	Zonal Office Varanasi

Sr. No.	Name (Shri/Smt.)	Designation	Place of Posting
39.	Debarchan Sahoo	Zonal Manager - GM	Zonal Office Agra
40.	Sanjeev Kumar Dubey	General Manager	Centralised Procurement & Partnership Division
41.	Ashwini Kumar Pandey	General Manager	Cyber And Information Security Division
42.	Bikramjit Shom	Company Secretary	Board & Coordination Division, Head Office
43.	Nitil Pandya	General Manager	GBMD, Head Office
44.	Pramod Kumar Dubey	General Manager	Mission Parivartan Division, Head Office
45.	Santosh Kumar	General Manager	Treasury Division, Head Office
46.	Ajay Kumar Singh	General Manager	SMEAD, Head Office

b. Details of change in Senior Management:

Sr. No.	Name of the Executive (Shri/Smt.)	Previous Assignment	New Assignment	Effective Date of Change
1.	Debarchan Sahoo	GM- GSAD	Zonal Manager – GM, ZO Agra	01.04.2025
2.	Vinish Kumar Chawla	Circle Head, CO Mumbai Western	Zonal Manager – GM, ZO Ahmedabad	01.04.2025
3.	Kuldeep Singh Rana	General Manager, Agriculture Division, Head Office	Zonal Manager – GM, ZO Meerut	01.04.2025
4.	Jatinder Mankotia	Circle Head, CO Bhatinda	Zonal Manager – GM, ZO Bhopal	01.04.2025
5.	Nathu Ram Banjara	Circle Head, CO Etawah	Zonal Manager – GM, ZO Patna	01.04.2025
6.	Bhushan Sharma	Circle Head, CO Panipat	Zonal Manager – GM, ZO Bhubaneswar	01.04.2025
7.	Anupam	GM, HRD Division, Head Office	Zonal Manager – GM, ZO Dehradun	01.04.2025

Sr. No.	Name of the Executive (Shri/Smt.)	Previous Assignment	New Assignment	Effective Date of Change
8.	Vinay Kumar	Circle Head, CO Bareilly	Zonal Manager – GM, ZO Guwahati	01.04.2025
9.	Sanjiv Kumar	Circle Head, CO Hoshiarpur	Zonal Manager – GM, ZO Durgapur	01.04.2025
10.	Rajesh kumar	GM, Transaction & Monitoring Division, Head Office	Zonal Manager – GM, ZO Shimla	01.04.2025
11.	Firoz Hasnain	Zonal Manager, ZO Mumbai	CGM, MSME Division, Head Office	01.04.2025
12.	S Rajaguru	GM, LCB, Mumbai	GM, SASTRA Division, Head Office	01.04.2025
13.	Dr. Rajesh Prasad	Zonal Manager –ZO Chandigarh	GM, GBD, Head Office	01.04.2025
14.	Dipankar Mahapatra	Zonal Manager, Zonal Office Ahemdabad	GM- Corporate Credit Division, Head Office	01.04.2025
15.	Pramod Kumar Dubey	Digital Banking Transformation Division, Head Office	GM. Mission Parivartan, Head Office	01.04.2025
16.	Bikramjit Shom	Zonal Manager, ZO Meerut	GM- Board Secretary and Company Secretary	30.04.2025
17.	Lalit Taneja	GM, MSME & MCC Division, Head Office	Zonal Manager, ZO Chandigarh	09.04.2025
18.	Binay Kumar Gupta	CGM, BA & RM Division, Head Office	CGM- Zonal Manager, ZO Kolkata	30.08.2025
19.	Dilip Kumar Jain	CFO, CGM, Finance Division, Head Office	Superannuated on 31.08.2025	
20.	Deepak Kumar Srivastava	Zonal Manager – CGM, ZO Hyderabad	Zonal Manager – CGM, ZO Mumbai	01.09.2025
21.	Sumesh Kumar	GM-HRD Division, Head Office	CGM-HRD Division, Head Office	01.09.2025
22.	Raman Grover	GM, Finance Division, Head Office	Chief Financial Officer (CFO), CGM, Finance Division, Head Office	01.09.2025
23.	Mousumi Majumdar	GM, Corporate Credit Division, Head Office	CGM, Credit Review & Monitoring Division, Head Office	01.11.2025
24.	Manish Agarwal	GM, IT Division, Head Office	CGM, IT Division, Head Office	25.11.2025

Sr. No.	Name of the Executive (Shri/Smt.)	Previous Assignment	New Assignment	Effective Date of Change
25.	Sudhir Dalal	GM, BA & RM Division, Head Office	CGM, BA & RM Division, Head Office	25.11.2025
26.	Vandana Pandey	GM, Zonal Office Hyderabad	GM-Zonal Manager, ZO Hyderabad	26.11.2025
27.	Pratap Keshari Mallick	GM, Integrated Risk Management Division, Head Office	Group Chief Compliance Officer (GCRO)	01.12.2025
28.	Surinder Pal Singh	GM, BA & RM Division, Head Office	CGM, BA & RM Division, Head Office	01.12.2025
29.	Vishesh Kumar Srivastava	CGM General Services Administration Division, Head Office	CGM (In-Charge) General Services Administration Division, Head Office	01.01.2026
30.	Mrityunjay	GM-Zonal Manager, ZO Lucknow	CGM-Zonal Manager, ZO Lucknow	01.02.2026
31.	Debasish Gangopadhyay	Chairman (Scale VII) RRB Assam Gramin Vikash Bank, Guwahati	Zonal Manager – GM, Zonal Office Guwahati	02.03.2026
32.	Sanjeev Kumar Dhupar	Chairman (Scale VII) RRB Haryana Gramin Bank, Rohtak	CGM-Agriculture & Priority Sector and Financial Inclusion Division, Head Office	05.03.2026

6. COMPLIANCE OF DISCRETIONARY REQUIREMENTS

Sr. No.	Non-Mandatory requirements	Status of implementation
A	The Board - A Non-Executive Chairman may be entitled to maintain a Chairman's office at the listed entity's expense	Shri K.G. Ananthakrishnan was appointed as the Non-Executive Chairman on the Board of the Bank on 07.11.2022. His tenure concluded on 06.11.2025. As on 31.03.2026, the position of Non-Executive Chairman on the Board was vacant.
B	Shareholders' Rights - A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.	The quarterly / Annual Financial Results are submitted to the Stock exchanges i.e. NSE and BSE and published in newspapers and placed on Bank's website. Annual reports are also sent to the shareholders before the AGM in accordance with SEBI guidelines.
C	Modified opinion(s) in Audit Report - The listed entity may move towards a regime of financial statements with unmodified audit opinion.	The Bank's Annual Financial Statements for the Financial Year ended 31.03.2026 were unqualified. Significant Accounting Policies and Notes to Accounts were contained in schedules, which are explanatory in nature.

Sr. No.	Non-Mandatory requirements	Status of implementation
D	Separate post of Chairman and CEO - The listed entity may appoint separate persons to the post of the Chairperson and the Managing Director or the Chief Executive Officer, such that the Chairperson shall – (a) be a non-executive director; and (b) not be related to the Managing Director or the Chief Executive Officer as per the definition of the term “relative” defined under the Companies Act, 2013	The position of Non-Executive Chairman remained vacant as on 31.03.2026. Appointment is awaited by the Govt. of India.
E	Reporting of Internal Auditor – The internal auditor may report directly to the Audit Committee.	Chief General Manager (Inspection & Audit) heading the Internal Audit function reports to the Audit Committee of Board.

7. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:

Regulation No.	Title/Brief description	Compliance Status
17	Board of Directors	In terms of Regulation 17(1) of SEBI (LODR) Regulations, 2015, not less than fifty per cent of the Board of Directors shall comprise non-executive directors. Further, where the chairperson of the Board of Directors is a non-executive director, at least one-third of the Board of Directors shall comprise independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise independent directors. The tenure of the Non-Executive Chairman concluded on 06.11.2025. As on 31.03.2026, there were 9 Directors on the Bank's Board comprising 5 WTDs and 4 NEDs (including 2 Independent Directors), with 7 vacant positions on the Board of the Bank as per section 9(3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. The Bank is constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. In terms of Section 9(3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 read with the Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970, the appointment of Directors on the Board of the Bank is done by the Government of India except Shareholder Directors who are elected from amongst the shareholders, other than the Central Government. Further, the constitution and scope of the Committees of the Board is as per extant RBI/ SEBI/ Gol and other applicable guidelines as detailed in the report above.
18	Audit Committee	Complied With
19	Nomination and Remuneration Committee	The Committee was non-functional as on 31.03.2026 due to inadequacy of Independent Directors.
20	Stakeholders Relationship Committee	Complied With

Regulation No.	Title/Brief description	Compliance Status
21	Risk Management Committee	Complied With
22	Vigil Mechanism	Complied With
23	Related Party Transactions	Complied With
24	Corporate governance requirements with respect to subsidiary of listed entity	Complied With
24A	Secretarial Audit	Complied With
25	Obligations with respect to Independent Directors	Complied With
26	Obligations with respect to employees including Senior Management, Key Managerial Persons, Directors and Promoters	Complied With
27	Other corporate governance requirements	Complied With
46 (2) (b) to (i)	Website	Complied With

8. GENERAL BODY MEETINGS

The details of the Annual General Meetings (AGMs) of shareholders held during the last three years is as under:

Type of Meeting	Day, Date & Time	Venue	Purpose
22 nd AGM	Friday, June 30, 2023 at 11.00 a.m.	The meeting was convened through Video Conferencing (VC) / Other Audio Visual Means with the deemed venue at the Head Office of the Bank	- To discuss, approve & adopt the Audited Balance Sheet and Profit & Loss Account of the Bank for year ended 31.03.2023. - To declare dividend on the equity shares of the Bank for the financial year 2022-23 - To consider and approve the Material Related Party Transaction for outright securities transactions (sale/ purchase of securities), Money Market transactions, Primary subscription of securities, Security Arranger services in PNBs NCD issuances through EBP and also such other transactions such as purchase/sale of Government Securities (G-Sec), Bonds/Debentures of PSUs, other bodies as may be disclosed in the notes forming part of the Financial Statements for the relevant Financial Year with PNB Gilts Limited (Subsidiary), PNB Housing Finance Ltd. (Associate), PNB Metlife India Insurance Company Ltd. (Associate). - To consider and approve the Material Related Party Transactions for Loans and Advances with PNB Gilts Ltd. (Subsidiary) and PNB Housing Finance Ltd. (Associate). - To consider and approve the Material Related Party Transactions for IBPC Transactions with Regional Rural Banks (Associates).

Type of Meeting	Day, Date & Time	Venue	Purpose
			- To consider and approve the Material Related Party Transactions in the Current Accounts with PNB Gilts Ltd. (Subsidiary) and PNB Housing Finance Ltd. (Associate). - To consider and approve the Material Related Party Transactions in the Nostro Account with Druk PNB Bank Ltd. (International Subsidiary) & Everest Bank Ltd. (International Joint Venture). - To consider and approve the appointment of Shri Atul Kumar Goel as Managing Director & Chief Executive Officer of the Bank. - To consider and approve the appointment of Shri Anil Kumar Misra as Director nominated by the Central Government on the recommendation of the Reserve Bank of India on the Board of the Bank. - To consider and approve the appointment of Shri Pankaj Sharma as Government of India Nominee Director on the Board of the Bank. - To consider and approve the appointment of Shri Binod Kumar as Executive Director of the Bank. - To consider and approve the appointment of Shri M. Paramasivam as Executive Director of the Bank. - To consider and approve the appointment of Shri K. G. Ananthakrishnan as Part-Time Non-Official Director and Non-Executive Chairman (Independent) on the Board of the Bank. (Special Resolution) - To consider and approve Issue of equity shares to Employees through Employee Stock Purchase Scheme (ESPS) (Special Resolution)
23 rd AGM	Saturday, June 29, 2024 at 11.00 a.m.	The meeting was convened through Video Conferencing (VC) / Other Audio Visual Means with the deemed venue being the Head Office of the Bank	- To discuss, approve and adopt the Audited Balance Sheet of the Bank as at 31st March 2024, Profit and Loss Account of the Bank for the year ended 31st March 2024, the Report of the Board of Directors on the working and activities of the Bank for the period covered by the Accounts and the Auditor's Report on the Balance Sheet and Accounts. - To declare dividend on the equity shares of the Bank for the financial year 2023-24. - To consider and approve the Material Related Party Transactions for Outright securities transactions (sale/purchase of securities), Money Market transactions, Primary subscription of securities, Security Arranger services in PNBs NCD issuances through EBP in which PNB Gilts may be arranger/one of the arrangers to the issue and also such other transactions such as purchase/sale of Government Securities (G-Sec), Bonds/ Debentures of PSUs, other bodies as may be disclosed in the notes forming part of the Financial Statements for the relevant Financial Year with PNB Gilts Limited (Subsidiary), PNB Housing Finance Ltd. (Associate) and PNB Metlife India Insurance Co. Ltd. (Associate).

Type of Meeting	Day, Date & Time	Venue	Purpose
			- To consider and approve the Material Related Party Transactions for Loans and Advances with PNB Gilts Ltd. (Subsidiary) and PNB Housing Finance Ltd. (Associate). - To consider and approve the Material Related Party Transactions for IBPC Transactions with Regional Rural Banks (Associates). - To consider and approve the Material Related Party Transactions in the Current Accounts with PNB Gilts Ltd. (Subsidiary) and PNB Housing Finance Ltd. (Associate). - To consider and approve the Material Related Party Transactions in the Nostro Account with Druk PNB Bank Ltd. (International Subsidiary) & Everest Bank Ltd. (International Joint Venture).
24 th AGM	Friday, June 27, 2025 at 11.00 a.m.	The meeting was convened through Video Conferencing (VC) / Other Audio Visual Means with the deemed venue being the Head Office of the Bank	- To discuss, approve and adopt the Audited Balance Sheet of the Bank as at 31st March 2025, Profit and Loss Account of the Bank for the year ended 31st March 2025, the Report of the Board of Directors on the working and activities of the Bank for the period covered by the Accounts and the Auditor's Report on the Balance Sheet and Accounts. - To declare dividend on the equity shares of the Bank for the financial year 2024-25. - To consider and approve the Material Related Party Transactions for Outright securities transactions (sale/purchase of securities), Money Market transactions, Primary subscription of securities, Security Arranger services in PNBs NCD issuances through EBP in which PNB Gilts may be arranger/one of the arrangers to the issue and also such other transactions such as purchase/sale of Government Securities (G-Sec), Bonds/ Debentures of PSUs, other bodies as may be disclosed in the notes forming part of the Financial Statements for the relevant Financial Year with PNB Gilts Limited (Subsidiary), PNB Housing Finance Ltd. (Associate) and PNB Metlife India Insurance Co. Ltd. (Associate). - To consider and approve the Material Related Party Transactions for Loans and Advances with PNB Gilts Ltd. (Subsidiary) and PNB Housing Finance Ltd. (Associate). - To consider and approve the Material Related Party Transactions for IBPC Transactions with Regional Rural Banks (Associates). - To consider and approve the appointment of Shri Ashok Chandra as Managing Director & Chief Executive Officer of the Bank - To consider and approve the extension of Shri Kalyan Kumar as Executive Director of the Bank - To consider and approve the appointment of Shri D. Surendran as Executive Director of the Bank - To consider and approve the Appointment of M/s Agarwal S. & Associates as the Secretarial Auditor for carrying out Secretarial Audit and Issuance of Annual Secretarial Compliance Report for a term of 5 (five) years from FY 2025-26 to FY 2029-30

Postal Ballot - Bank has not conducted any business by way of postal ballot during the financial year and at present no business is proposed to be conducted through postal ballot.

9. OTHER DISCLOSURES AS PER SCHEDULE V[C(10)] OF SEBI (LODR) REGULATIONS, 2015

- 9.1** There has been no significant related party transaction during the year that may have had potential conflict of interest with the Bank.
- 9.2** The Related Party Transactions of the Bank as per RBI/ICAI guidelines are disclosed in the Notes on Accounts (in Schedule 18) of the Balance Sheet as on 31.03.2026. The Policy on Related Party Transactions is available on the Bank's website at <https://pnb.bank.in/Policies.html>. It is established practice in the Bank that the Directors recuse themselves from the agenda of the Board and other Committees of the Board, when matters relating to them or their relatives are discussed, which has been duly adhered to.
- 9.3** Details of penalties imposed on the Bank by SEBI/Stock Exchanges for non-compliance in respect of matters related to Capital Market during the last three years are as under:

2023-24	Nil
2024-25	A Fine of Rs. 5000/- (plus GST) has been imposed by the BSE Ltd. for non-submission of intimation of Board Meeting under Regulation 50(1)(d) of SEBI (LODR) Regulations, 2015.
2025-26	Nil

- 9.4** The Bank has established a vigil mechanism through its Whistle Blower Policy and no person has been denied access to the Audit Committee.
- 9.5** The status of compliance of Discretionary and Mandatory requirements is detailed at Points 6 & 7, respectively.
- 9.6** The Bank has adopted a Code of Conduct for the Board of Directors and Senior Management, the text of which is available on the website of the Bank www.pnb.bank.in. All the Directors

and members of the Senior Management have affirmed their compliance to the Code of Conduct during the year under review and a Certificate affirming the same is given at the end of this Report.

- 9.7** The 'Policy for determination of material Subsidiary' and 'Policy on Related Party Transactions' are available on the website of the Bank at <https://pnb.bank.in/Policies.html>.
- 9.8** Commodity Price Risks and Commodity hedging activities are Nil.
- 9.9** We have obtained a certificate from the M/s Ragini Chokshi & Co., Company Secretaries that none of the Directors on the Board of the Bank has been debarred or disqualified from being appointed or continuing as Director of the Bank by the SEBI/Ministry of Corporate Affairs or any such Statutory Authority.
- 9.10** It is confirmed that there was no instance where the Board did not accept any recommendation of any Committee of the Board which is mandatorily required during the financial year 2025-26.
- 9.11** The total fees for all services paid to the Statutory Auditors of the Bank and its subsidiaries are as under:

Sr. No.	Name of the Entity	Amount (Rs. in Lakhs)
1.	Punjab National Bank	4768.83
2.	PNB (International) Ltd.	831.75
3.	Druk PNB Bank Ltd.	4.77
4.	PNB Investment Services Ltd.	2.17
5.	PNB Cards & Services Ltd.	3.00
6.	PNB Gilts	40.00

- 9.12** Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a.	Number of complaints filed during FY 2025-26	20
b.	Number of complaints disposed off during FY 2025-26	17
c.	Number of complaints pending as on end of the FY 2025-26 (within TAT as per provisions of PoSH Act, 2013)	3 (ongoing and are within statutory prescribed timeline)

- 9.13** It is confirmed that the Bank is complying with the disclosure requirements in respect of Corporate Governance Report as per sub-para (2) to (10) of Schedule V of SEBI (LODR) Regulations.
- 9.14** The securities of the Bank were not suspended from trading during FY 2025-26.
- 9.15** No funds were raised by the Bank during FY 2025-26 through issuance of equity shares by way of preferential allotment or qualified institutional placement as specified under regulation 32(7A).
- 9.16** Further it is confirmed that:
- (i) In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI LODR Regulations and are independent of the Management.
 - (ii) None of the Directors are related inter-se.
 - (iii) The Bank conducts familiarization programmes for its Independent Directors, details of which are available on the website of the Bank i.e. at <https://pnb.bank.in/Disclosures-in-terms-of-Regulation.html>
- 9.17** During the year, Shri Jatinder Singh Bajaj, Shareholder Director tendered his resignation vide letter dated 05.06.2025 pursuant to RBI's letters dated 13.05.2025 and 02.06.2025 disqualifying a serving employee of Life Insurance Corporation of

India being connected with para banking activities to be on the Board of PSBs as Shareholder Director in terms of para 4.3(iv)(b) of Master Direction-Reserve Bank of India ('Fit & Proper' Criteria for Elected Directors on the Board of PSBs) Directions, 2019 dated August 02, 2019 and consequently ceased to be a Director on the Bank's Board w.e.f. 06.06.2025.

Shri Jatinder Singh Bajaj also confirmed that there were no other material reasons other than the one provided herein above.

- 9.18** Disclosure in respect of certain types of agreements disclosed under clause 5A of paragraph A of Part A of Schedule III of SEBI (LODR) Regulations, 2015, which are binding on the Bank: Nil

10. DETAILS OF SUBSIDIARIES

The Bank has four domestic Subsidiaries, namely:

1. PNB Investment Services Ltd.
2. PNB Cards and Services Ltd.
3. PNB Gilts Ltd.
4. PNB Insurance Broking Pvt. Ltd.*

*PNB Insurance Broking Company was in voluntary liquidation and capital stands extinguished and the liquidator shall be completing the necessary formalities to conclude the winding up procedure.

Further, the Bank has two international subsidiaries, namely:

- i) Punjab National Bank (International) Limited (PNBIL), UK
- ii) Druk PNB Bank Ltd. (DPNBL), Bhutan.

The Bank has no material subsidiary.

11. MEANS OF COMMUNICATION

The Quarterly/Annual Financial Results are furnished with the Stock Exchanges (NSE & BSE) for dissemination. Further, the Financial Results

are communicated to the stakeholders through press releases via print and electronic media.

Communications, notices to the shareholders and Financial Results etc. are published in widely circulated Hindi and English newspapers viz. Jansatta, Financial Express, Mint, Business Line, Business Standard (Hindi and English).

The Quarterly/Annual Financial Results and presentations made to Institutional Investors/Analysts are uploaded on the Bank's website at (www.pnb.bank.in) and on the websites of Stock Exchanges viz. www.nseindia.com and www.bseindia.com.

Electronic copies of Annual Report for FY 2024-25 *inter-alia* containing the Notice of AGM were sent to the shareholders through email in accordance with SEBI Circular dated 13.05.2022, 05.01.2023 and 07.10.2023 read with SEBI Master Circular dated 11.07.2023 and hosted on the Bank's and Stock Exchanges' websites.

The Annual Report for FY 2025-26 shall be sent by email to those shareholders who have registered their email ids pursuant to SEBI Circular(s) dated 13.05.2022, 05.01.2023, 07.10.2023 and 03.10.2024 read with SEBI Master Circular dated 30.01.2026.

12. GENERAL SHAREHOLDERS' INFORMATION

12.1 Schedule of the Annual General Meeting of the shareholders of the Bank:

Day, Date & Time	Saturday 20 th June, 2026 at 11.00 a.m.
Venue	Through VC/OAVM (as detailed in the AGM Notice)

12.2 Financial Calendar

Financial Year	01 st April 2025 to 31 st March, 2026
Board Meeting for considering and approving the Audited Financial Results of the Bank for the quarter/financial year ended 31 st March, 2026	05 th May, 2026
Date & Time of the 25 th AGM	Saturday 20 th June, 2026 at 11.00 a.m.

Record Date	Saturday 13 th June, 2026
Book Closure Dates	Sunday, 14 th June, 2026 to Saturday, 20 th June, 2026
Cut-off Date for E-voting	Saturday 13 th June, 2026
E- voting period	As per AGM Notice

12.3 Dividend details - Financial Year 2025-26

- (i) **Dividend:** - The Board of Directors of the Bank has recommended a final dividend of ₹3/- (150%) per equity share of face value of ₹2/- each for the FY 2025-26.
- (ii) **Dividend Distribution Policy:** - The Bank has a Board approved Dividend Distribution Policy based on RBI / Government of India/SEBI Guidelines available on the Bank's website at <https://pnb.bank.in/Policies.html>
- The dividend shall be paid within prescribed timeline of 30 days.

12.4 Listing on Stock Exchanges:

The shares of the Bank are listed on the following Stock Exchanges:

Stock Exchanges	Stock Code	Date of Initial Listing
National Stock Exchange of India Ltd. (NSE) Bandra - Kurla Complex, Mumbai	PNB	24.04.2002
BSE Ltd. (BSE) P. J. Towers, Dalal Street, Mumbai	532461	25.04.2002

12.5 Payment of Listing Fee

The annual listing fee to NSE & BSE have been paid up to date.

12.6 Dates of Book Closure and Cut-off date for remote e-voting- As per AGM Notice

12.7 Per Share Data:

	2023-24	2024-25	2025-26
Face Value (₹)	2/-	2/-	2/-
Closing Price as on 31 st March -NSE (₹)	124.40*	96.13^	100.56 [#]
Earnings per share (₹)	7.49	14.77	14.71
Dividend per Equity Share of ₹2/- each	1.50	2.90	3.00
Dividend (%)	75%	145%	150%
Book Value (₹)	67.75	84.83	102.95
Dividend payout (% of Net Profit)	20.03%	20.04%	20.40% Dividend payout (% of Net Profit after adjustments [§]) is 21.81%

* as on 28.03.2024, ^ as on 28.03.2025, # as on 30.03.2026

[§]excluding any exceptional and / or extra-ordinary profits / income, or if audit report by the statutory auditor contains modified opinion that indicates an overstatement of net profit (including 'emphasis of matter'), net unrealised gains on fair valuation of Level 3 financial instruments (including derivatives), reversal of excess provision and unrealized profits arising on account of transfer of loans and Security Receipts guaranteed by the Government of India (as provided in Reserve Bank of India (Commercial Banks - Transfer and Distribution of Credit Risk) Directions, 2025

12.8 Registrar to an Issue and Share Transfer Agent (RTA)

M/s Beetal Financial & Computer Services (P) Ltd., a SEBI registered Registrar to an Issue and Share Transfer Agent is the RTA of the Bank since 01.01.2013. The contact details of the RTA are given below:

Beetal Financial & Computer Services (P) Limited (Unit: PNB)
'Beetal House', 3rd Floor 99, Madangir, Behind Local Shopping Centre New Delhi 110062
Tel. No. 011-29961281/82/83,
Fax: 011-29961284
e-mail: beetalrta@gmail.com

12.9 Share Transfer System

- (i) In terms of Regulation 40(1) of SEBI (Listing Obligations and Disclosure

Requirements) Regulations 2015, as amended, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository. Further, the transmission or transposition of names in respect of securities held in physical or dematerialised form shall be effected only in dematerialised form. As such, the shareholders holding shares in physical form are requested to convert their holdings to dematerialized form.

- (ii) The transmission or transposition of names in the physical shares was effected in accordance with the applicable laws/guidelines.
- (iii) Transfer of equity shares in electronic form is effected through the Depositories, i.e., National Securities Depository Ltd, (NSDL) and the Central Depository Services Ltd. (CDSL) without involvement of the Bank.
- (iv) For shares held in Dematerialized form, shareholders are requested to inform their Depository Participant (DP) directly for updating the records in case of any change in address and/or Bank mandate (Name of Bank, Address, Account No, MICR Code etc.).
- (v) In accordance with SEBI Guidelines, the Bank has sent communication to the shareholders holding shares of the Bank in physical form with a request to update their contact details, Bank account details, specimen signatures etc.

12.10 Electronic Voting:

Shareholders are requested to register their latest email IDs with their Depository Participant(s) or the RTA, as the case may be, for enabling remote e-voting facility.

12.11 PNB-Unclaimed Shares (Suspense) A/c: The details of unclaimed shares as per SEBI (LODR Regulations, 2015 is as under:

Sr. No.	Particulars	IPO (2002)		FPO (2005)		Unclaimed shares issued pursuant to Amalgamation (2020)#		TOTAL	
		No. of Share holders	No. of Shares	No. of Share holders	No. of Shares	No. of Share holders	No. of Shares	No. of Share holders	No. of Shares
1	Opening at the beginning of the year i.e. 01.04.2025 (Face Value Rs. 2/- each)	58	33500	351	59975	54	1323	463	94798
2	No. of shareholders who approached for transfer of shares during the year	-	-	-	-	-	-	-	-
3	No. of shareholders to whom shares were transferred during the year	-	-	1	395	-	-	1	395
4	Outstanding at the end of the year i.e. 31.03.2026 (1-3)	58	33500	350	59580	54	1323	462	94403

These shares relate to the unclaimed shares lying with the erstwhile Oriental Bank of Commerce and erstwhile United Bank of India and issued by PNB pursuant to amalgamation of both the Banks into Punjab National Bank on 01.04.2020.

It is certified that the voting rights on these shares remain frozen till the rightful owner claims the said shares.

12.12 Shareholding and Distribution Pattern as on 31st March 2026:

(i) Shareholding Pattern

Shareholders' Category	Percentage of Equity shares held
President of India	70.08
FII's/NRI's/OCBs	6.59
Banks/Financial Institutions/ Insurance Companies	9.42
Mutual Funds	6.53
Domestic Companies/Trusts	0.57
Indian Public/Resident Individuals/HUF	6.80
Clearing Members	0.01
Total	100.00

ii) Number of shareholders as on 31.03.2026 22,78,921

iii) Nominal value of each Equity Share (₹) 2/-

iv) Distribution Pattern:

No. of Shareholders	Percentage of Total	Shareholding of Nominal Value of (₹)	No. of Equity Shares	Amount (₹)	Percentage to Total
2227617	97.75	UPTO 5000	386710827	773421654	3.36
31553	1.38	5001 TO 10000	111671906	223343812	0.97

No. of Shareholders	Percentage of Total	Shareholding of Nominal Value of (₹)	No. of Equity Shares	Amount (₹)	Percentage to Total
11442	0.50	10001 TO 20000	83386862	166773724	0.73
2909	0.13	20001 TO 30000	35927668	71855336	0.31
1561	0.07	30001 TO 40000	27624885	55249770	0.24
812	0.04	40001 TO 50000	18584153	37168306	0.16
1474	0.06	50001 TO 100000	52149318	104298636	0.46
1553	0.07	100001 & ABOVE	10776887649	21553775298	93.77
2278921	100.00		11492943268		100.00

v) Geographical spread of Shareholders as on 31.03.2026:

CITY NAME	ELECTRONIC				PHYSICAL				TOTAL			
	HOLDERS	%*	SHARES	%*	HOLDERS	%*	SHARES	%*	HOLDERS	%*	SHARES	%*
AHMEDABAD	51377	2.27	26028541	0.23	308	2.29	49036	1.03	51685	2.27	26077577	0.23
BANGALORE	55010	2.43	27755172	0.24	300	2.23	104488	2.19	55310	2.43	27859660	0.24
CHENNAI	40621	1.79	22313731	0.19	485	3.61	279533	5.87	41106	1.80	22593264	0.20
DELHI	139990	6.18	8153678417	70.97	1441	10.73	470469	9.88	141431	6.21	8154148886	70.95
HYDERABAD	36484	1.61	17663330	0.15	269	2.00	108995	2.29	36753	1.61	17772325	0.15
KOLKATA	65331	2.88	39166609	0.34	573	4.27	182312	3.83	65904	2.89	39348921	0.34
MUMBAI	137289	6.06	2680150309	23.33	1140	8.49	320210	6.72	138429	6.07	2680470519	23.32
NCR (Others)	69180	3.05	55547041	0.48	302	2.25	99815	2.10	69482	3.05	55646856	0.48
OTHERS	1670205	73.72	465876687	4.06	8616	64.13	3148573	66.10	1678821	73.67	469025260	4.08
TOTAL	2265487	100.00	11488179837	100.00	13434	100	4763431	100.00	2278921	100.00	11492943268	100.00

* Rounded off to nearest decimal.

vi) Details of shares held by the Shareholders in Physical & Dematerialized form as on 31.03.2026

Sr. No.	Particulars	No. of Shareholders	No. of Shares	Percentage of Shareholding
1.	Physical	13434	4763431	0.04
2.	Dematerialized	2265487	11488179837	99.96
i)	NSDL	610089	2988526190	26.00
ii)	CDSL	1655398	8499653647	73.96
	Total (1+2)	2278921	11492943268	100

12.13 The Bank has not issued any GDRs/ADRs/Warrants or any convertible instruments during the financial year 2025-26 and there are no outstanding GDRs/ADRs/Warrants or any convertible instruments as on 31.03.2026.

12.14 Commodity Price Risks are Nil. As regards foreign exchange risk and hedging activities:

- The Bank has in place a Board approved Investment Policy in line with the prudential guidelines/Bank's Guidelines framed by Mid Office, Integrated Risk Management Division (IRMD) which defines potential future losses by fixing various limits such as cut loss/take profit limits (Dealer wise/Currency wise), Overnight/forward open positions etc. Exchange risk associated with intraday open position is addressed by fixing Daylight Open Position limit. Foreign Exchange risk arising due to mismatch of foreign currency cash flow in different maturity buckets is addressed by limits such as IGL, AGL and VaR fixed and monitored by Mid Office, IRMD.
- All merchant (Export/Import/Inward remittance/Outward remittance) based transactions are hedged through OTC derivatives (swap and forward) in Interbank market based on the requirement of the customers.
- USD funds generated through FCNR/EEFC/RFC are naturally hedged as inflow and outflow of fund takes place in the same currency. Aforesaid deposits other than USD are converted into USD through currency swap mechanism and deployed profitably after taking swap cost into account.
- Bank has a robust and well defined MIS through which activities are placed before the Top Management every day following the Investment Policy.

12.15 Plant Location: N.A.

12.16 Address for Correspondence in respect of equity related issues:

The Company Secretary
Punjab National Bank
Share Department, Board & Coordination Division, 5th Floor, West Wing, Plot No.4, Sector-10, Dwarka, New Delhi - 110075
Tel. No. 011- 28044857
e-mail: hosd@pnb.bank.in

12.17 Online grievance redressal system:

The Bank provides an online query/grievance/complaint redressal system for resolving the shareholders' queries/grievances. Under this system, the shareholder may log in their query/complaint through the Portal provided on Bank's website www.pnb.bank.in under Investor info - > Others - > Online Shareholder queries/requests/grievances.

12.18 Secretarial Audit Report:

For conducting the Secretarial Audit for FY 2025-26, the Bank appointed M/s Agarwal S. & Associates. (Practicing Company Secretary, New Delhi). The Secretarial Audit Report is annexed at the end of this Corporate Governance Report.

12.19 Debenture Trustee(s): The following are the Debenture Trustee(s) for the Bonds issued by the Bank:

1. IDBI Trusteeship Services Ltd:

Universal Insurance Building, Ground Floor,
Sir P M Road, Fort, Mumbai - 400 001.
T: (91) (22) 40807000
Email ID: itsl@idbitrustee.com
Website: www.idbitrustee.com

2. SBICAP Trustee Company Ltd:

Mistry Bhavan, 04th Floor, 122 Dinshaw Vachha Road, Churchgate,
Mumbai- 400020
T: (91) (22) 4302 5555/5556
Email Id: corporate@sbicaptrustee.com
Website: www.sbicaptrustee.com

3. Axis Trustee Services Ltd.:

The Ruby, 2nd Floor, SW,
29, Senapati Bapat Marg, Dadar West,
Mumbai- 400 028
T: (91) (22) 6230 0451
Email Id: debenturetrustee@axistrustee.in
Website: www.axistrustee.in

12.20 List of all credit ratings along with revisions thereto:

a. Credit Rating of the Bank:

Rating Agency	Rating
Moody's Investors Services	Baa3/P-3/Stable
Fitch Ratings	BBB-/F3/Stable

b. Details of Credit Rating obtained by the Bank during FY 2025-26 for all domestic debt instruments (other than Fixed Deposits):

Sr. No.	Instrument	Series	ISIN	CARE	ICRA	INDIA RATINGS	BRICKWORK	CRISIL
				08.12.2025	05.12.2025	11.12.2025	15.12.2025	12.12.2025
1	AT-1	Series XII	INE160A08183*	AA+/Stable		AA+/Stable	AA+/Stable	
2	AT-1	Series XIII	INE160A08209		AA+/Stable	AA+/Stable		AA+/Stable
3	AT-1	Series XIV	INE160A08217			AA+/Stable		AA+/Stable
4	AT-1	Series XV	INE160A08225			AA+/Stable		AA+/Stable
5	AT-1	Series XVI	INE160A08233		AA+/Stable	AA+/Stable		
6	AT-1	Series XVII	INE160A08258	AA+/Stable		AA+/Stable		
7	AT-1	Series XVIII	INE160A08266	AA+/Stable		AA+/Stable		
8	AT-1	Series XIX	INE160A08282	AA+/Stable		AA+/Stable		
9	AT-1	Series XX	INE160A08290	AA+/Stable	AA+/Stable			AA+/Stable
10	AT-1	Series XXI	INE160A08308		AA+/Stable			AA+/Stable
11	Tier II Basel - III	Series XIX	INE160A08092*	AAA/Stable		AAA/Stable		
12	Tier II Basel - III	Series XX	INE160A08142			AAA/Stable		AAA/Stable
13	Tier II Basel - III	Series XXI	INE160A08159*			AAA/Stable		AAA/Stable
14	Tier II Basel - III	Series XXII	INE160A08167*			AAA/Stable		AAA/Stable
15	Tier II Basel - III	Series XXIII	INE160A08175			AAA/Stable		AAA/Stable
16	Tier II Basel - III	Series XVI	INE141A08035*	AAA/Stable	AAA/Stable			
17	Tier II Basel - III	Series XXIV	INE160A08191			AAA/Stable		AAA/Stable
18	Tier II Basel - III	Series XXV	INE160A08241	AAA/Stable		AAA/Stable		
19	Tier II Basel - III	Series XXVI	INE160A08274	AAA/Stable		AAA/Stable		

Sr. No.	Instrument	Series	ISIN	CARE	ICRA	INDIA RATINGS	BRICKWORK	CRISIL
				08.12.2025	05.12.2025	11.12.2025	15.12.2025	12.12.2025
20	Tier II Basel - III	Series XXVII	INE160A08316			AAA/Stable		AAA/Stable
21	Long Term Bond	Series 3	INE160A08324			AAA/Stable		AAA/Stable
22	Certificate Of Deposit			A1+	A1+	A1+		A1+

*Notes:

1. Bond having ISIN INE160A08183 was rated CARE AA+/Stable, INDIA AA+/Stable, Brickwork AA+/Stable call option exercised on 22.01.2026.
2. Bond having ISIN INE160A08092 was rated CARE AAA/Stable, INDIA AAA/Stable matured on 05.02.2026.
3. Bond having ISIN INE160A08159 was rated INDIA AAA/Stable, CRISIL AAA/Stable call option exercised on 29.07.2025.
4. Bond having ISIN INE160A08167 was rated INDIA AAA/Stable, CRISIL AAA/Stable call option exercised on 14.10.2025.
5. Bond having ISIN INE141A08035 was rated ICRA AAA/Stable, CARE AAA/Stable matured on 26.10.2025.

For Punjab National Bank

Place: New Delhi
Date: May 05, 2026

(Ashok Chandra)
Managing Director & CEO

DECLARATION

[As per Schedule V (D) of the SEBI (LODR) Regulations, 2015]

The Bank has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Bank, which is available on the website of the Bank i.e. <https://pnb.bank.in/Disclosures-in-terms-of-Regulation.html>

The Board Members and Senior Management have affirmed compliance to the Code of Conduct in accordance with Clause 26(3) of SEBI (LODR) Regulations, 2015.

For Punjab National Bank

Place: New Delhi
Date: May 05, 2026

(Ashok Chandra)
Managing Director & CEO

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED
31st MARCH, 2026

(Pursuant to Regulation 24A of the Securities & Exchange Board of India (Listings Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Punjab National Bank,
Head Office: Plot No. 4, Sector 10,
Dwarka, New Delhi-110075.

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good Corporate Practices by Punjab National Bank (hereinafter called the “The Bank”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Bank’s books, papers, Minute books, forms and returns filed and other records maintained by the Bank and also the information provided by the Bank, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Bank has, during the audit period covering the financial year ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Bank has proper Board processes and Compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Bank for the financial year ended on 31st March, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made there under; (to the extent Applicable);
- (ii) The Securities Contracts (Regulations) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Bank during the audit period);
 - (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act in respect of dealing with client; (to the extent applicable)
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021
(Not applicable to the Bank during the audit period);
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Bank during the audit period);
- (j) The Securities and Exchange Board of India (Depository & Participants) Regulations 2018;
- (k) The Securities and Exchange Board of India (Banker to an Issue) Regulations, 1994;
- (l) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993;
- (vi) We Further report that, having regard to the compliance system(s) prevailing in the Bank and on examination of the relevant documents and records in pursuance thereof on test check basis, the bank has complied with the following applicable laws to the Bank:
 - (a) Guidelines, Regulations issued by SEBI as applicable to Capital Market Intermediaries, Merchant Bankers, Bankers to an Issue, Debenture Trustees.;
 - (b) Master Direction, Notification and guidelines issued by RBI from time to time;
 - (c) The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;

- (d) The Banking Regulation Act, 1949;
- (e) The Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970;
- (f) Punjab National Bank (Shares & Meeting) Regulations, 2000;
- (g) The Reserve Bank of India Act, 1934;
- (h) Payment and Settlement Systems Act, 2007.

We have also examined compliance of the following:

- (a) Secretarial Standards, issued by The Institute of Company Secretaries of India- (to the extent applicable, as the Bank is not a Company incorporated under the provisions of Companies Act, 1956).
- (b) The Securities & Exchange Board of India (Listings Obligations and Disclosure Requirements) Regulations, 2015 - to the extent Applicable.

During the period under review the Bank has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations:

- I. In pursuance to the provisions of Section 9(3)(e) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Board of Directors of Bank shall include one Director, from among such of the employees of the bank who are workmen under clause (s) of section 2 of the Industrial Disputes Act, 1947 (14 of 1947), to be nominated by the Central Government however, the said position is vacant on the Board of the Bank.
- II. In pursuance to the provisions of Section 9(3)(f) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Board of Directors of Bank shall include one Director, from among the employees

of the Bank who are not workmen under clause(s) of section 2 of the Industrial Disputes Act, 1947, to be nominated by the Central Government after consultation with the Reserve Bank of India however, the said position is vacant on the Board of the Bank.

- III. In pursuance to the provisions of Section 9(3)(g) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Board of Directors of Bank shall include one Director who has been a Chartered Accountant for not less than fifteen years to be nominated by the Central Government after consultation with the Reserve Bank however, the Position is vacant on the Board of the Bank.
- IV. In pursuance to the provisions of Section 9(3)(h), subject to the provisions of clause (i), not more than six Directors shall be nominated by the Central Government. Further, under Section 9(3)(i), where the issued capital exceeds sixteen percent but does not exceed thirty-two percent of the total paid-up capital, two Directors shall be elected by the shareholders (other than the Central Government) from amongst themselves. However, during the period under review, from 06.06.2025 to 28.08.2025, the position of one Director to be elected by the shareholders remained vacant and since beginning of FY 2025-2026, there were 3 vacant positions to be filled by Central Government. From 07.11.2025 onwards there were 4 such vacant positions which are to be filled by Central Government.
- V. In pursuance to Regulation 17(1)(a) of Securities and Exchange Board of India (Listings Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) board of directors shall have an optimum combination of executive and non-executive directors and not less than fifty percent of the board of directors shall comprise of non-executive directors.

However, during the period under review, from 06.06.2025 to 28.08.2025 and from 24.11.2025 onwards, fifty percent of the board of directors does not comprise of non-executive directors.

- VI. In pursuance to the proviso to Regulation 17(1)(a) of SEBI LODR, 2015, the Board of Directors of the top 1000 listed entities shall have at least one independent woman Director. However, during the period under review, the position of one Independent Women Director on the Board of Directors of Bank was vacant from 01.04.2025 to 28.08.2025.
- VII. In pursuance to the Regulation 17(1)(b) of SEBI LODR, 2015, where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors. However, during the period under review, the Chairperson of the Board of Directors was a non-executive director and the Board did not have at least one-third of its members comprising of independent directors from 01.04.2025 to 28.08.2025. Then from 07.11.2025, the Chairperson of the Board of Directors of Bank was an executive director and the Board did not have at least half of its members comprising of independent directors from 07.11.2025 to 31.03.2026.
- VIII. In pursuance to the second proviso to Regulation 17(1E) of Securities and Exchange Board of India (Listings Obligations and Disclosure Requirements) Regulations, 2015, if the listed entity becomes non-compliant with the requirement under sub-regulation (1) of this regulation, sub-regulation (1) of regulation 18, sub-regulation (1) or (2) of regulation 19, sub-regulation (2) or (2A) of

regulation 20 or sub-regulation (2) or (3) of regulation 21, due to expiration of the term of office of any Director, the resulting vacancy shall be filled by the listed entity not later than the date such office is vacated. However, during the period under review, because position of requisite number of Independent Directors remained vacant, it results into non-compliance of composition of the board and its various board level Committees. Such vacancies were not filled on or before the date on which such office was vacated.

- IX. In pursuance to Regulation 18(1) of SEBI LODR, 2015, every listed entity shall constitute a qualified and independent Audit Committee and the Audit Committee shall have minimum three directors as members. However, during the period under review, the Audit Committee of the Board became non-functional due to the non-availability of members, from 06.06.2025 to 28.08.2025. The members of the Audit Committee decreased to less than three and powers and duties of the Audit Committee were carried out by Board of Directors.
- X. In pursuance to Regulation 18(1)(c) of SEBI LODR, 2015 and RBI Circular on Corporate Governance RBI/2021-22/24 DOR GOV.REC.8/29.67.00 1/2021-22 dated 26.04.2021, at least one member of Audit Committee of Board shall have accounting or related financial management expertise. However, during the period under review, the Audit Committee of Board had no member with accounting or related financial management expertise from 01.04.2025 to 28.08.2025.
- XI. In pursuance to RBI Circular on Corporate Governance RBI/2021-22/24 DOR GOV.REC.8/29.67.001/2021-22 dated 26.04.2021, the meetings of the Audit Committee of the Board shall be chaired by an independent director who shall not

chair any other committee of the Board. However, during the period under review, the meetings of the Audit Committee of the Board were chaired by Independent Directors who also chaired other committees of the Board from 01.04.2025 till date.

- XII. In pursuance to Regulation 19 of SEBI LODR, 2015 the board of directors shall constitute the Nomination and Remuneration Committee. The Chairperson of the Nomination and Remuneration Committee shall be an independent director. In pursuance to RBI guidelines circulated vide Notification no. RBI/2021- 22/24 DOR GOV.REC.8/29.67.001/2021-22 dated 26.04.2021, the Board shall constitute a Nomination and Remuneration Committee (NRC) comprising only Non-Executive Directors (NEDs), with a quorum of three members, at least half of whom shall be Independent Directors. However, during the period under review, the Nomination and Remuneration Committee of the Board became non-functional due to the non-availability of members, from 06.06.2025 to 29.08.2025 and 7.11.2025 onwards.
- XIII. In pursuance to Regulation 19(3A) of SEBI LODR, 2015, the nomination and remuneration committee shall meet at least once in a financial year. However, during the period under review, no meeting held of the nomination and remuneration committee of the Board.
- XIV. In pursuance to Regulation 21 of SEBI LODR, 2015, the board of directors shall constitute a Risk Management Committee and shall have minimum three members with majority of them being members of the board of directors, including at least one independent director. However, during the period under review, the Risk Management Committee of the Board became non-functional due to the non-availability of members, from 11.06.2025 to 28.08.2025,

resulting into non-compliance with the Regulation 21(1), 21(2) & 21(3) of SEBI LODR, 2015.

- XV. In pursuance to RBI Circular on Corporate Governance RBI/2021- 22/24 DOR GOV.REC.8/29.67.001/2021-22 dated 26.04.2021, the board shall constitute Risk Management Committee of the Board with a majority of non-executive Directors and Meetings of Risk Management Committee shall be chaired by an independent director who shall not be a Chair of the board or any other committee of the board. However, during the period under review, the Risk Management Committee of the Board did not have a majority of Non-Executive Directors as members throughout the Financial Year 2025-2026. Also, meetings of the Risk Management Committee of the Board were chaired by an Independent Director who also chaired other committees of the Board during the FY 2025-2026.
- XVI. In pursuance to Regulation 30 r/w Para A of Part A of Schedule III of SEBI LODR 2015, disclosure of fine or penalty of rupees one lakh or more imposed by sectoral regulator or enforcement agency and fine or penalty of rupees ten lakhs or more imposed by other authority or judicial body shall be disclosed within twenty-four hours. However, it is observed that, order dated 13.11.2025 regarding imposition of monetary penalty by Appellate Tribunal under SAFEMA was not intimated to stock exchanges within 24 Hours. The Bank has intimated the same to stock exchanges on 06.12.2025. Reasons for delay were submitted to the Stock Exchanges on 08.12.2025.
- XVII. In pursuance to Schedule V of SEBI LODR 2015, Annual Report needs to have disclosure of performance evaluation criteria for independent directors. The performance evaluation criteria for independent directors is not disclosed in Annual Report issued for FY 2024-2025, which is noncompliance of Schedule V of SEBI LODR, 2015.

We further report that the Bank is constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the provisions relating to corporate governance and composition of Board as applicable to the Bank are provided in the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 read with The Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970 and other applicable guidelines.

There are Nine (9) Directors on the Board of the Bank comprising of five (5) Executive Directors, four (4) Non-Executive Directors including (2) two nominee Directors and (2) two Non-Executive – Independent Directors.

The Board of Directors of the Bank is duly constituted **except** for the non-appointment/nomination of requisite number of specified Directors on the Board of Directors of the Bank as required under Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, SEBI LODR, 2015 and RBI Circular on Corporate Governance as mentioned in detail above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the aforesaid Laws.

Generally, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decision of the Board is carried through majority while the dissenting members' views, if any, are captured and recorded as part of the Minutes.

We further report that there are adequate systems and processes in the Bank commensurate with the size and operations of the Bank to monitor and ensure compliance with applicable laws, rules, regulations and

guidelines.

We further report that during the period under review, BSE Limited and National Stock Exchange of India Ltd has imposed penalty of ₹3,35,000/- (plus applicable GST) each for Vulnerability Assessment and Penetration Testing (VAPT) vulnerabilities for Financial Year 2024-2025, pursuant to SEBI Circular SEBI/HO/MI RSD/MIRSDPoD1/P/CIR/2023/24 dated 06.02.2023. Further, the Bank has already applied for waiver.

We further report that during the period under review, monetary penalty has been imposed on Bank's subsidiary i.e. PNB Gilts Ltd amounting to ₹17,25,771.68/- by AMC Repo Clearing Ltd. (ARCL). Further, taking into consideration the representation made by PNB Gilts Ltd., the member committee and the Governing Board of ARCL has reviewed and approved the request for waiver of penalty imposed on the company.

We have not considered actions taken /penalty imposed by RBI in this report.

We further report that during the audit period, following specific events/actions having a major bearing on the Bank's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

1. The Bank redeemed the following securities:

S. No	Brief Particulars	Date of Maturity/ Redemption	Amount
1.	The Bank has redeemed 7.25% Basel III Compliant Tier II Bonds Series XXI	29/07/2025	₹ 994 Crores
2.	The Bank has redeemed 7.25% Basel III Tier-II Bonds Series XXII	14/10/2025	₹ 1500 Crores

3.	The Bank has redeemed 8.34% Basel III Tier- II Bonds	24/10/2025	₹ 1000 Crores
4.	The Bank has redeemed 8.60% Basel III Additional Tier- I Bonds Series XII	22/01/2026	₹ 495 Crores
5.	The Bank has redeemed 8.65% Basel III Tier-II Bonds Series XIX	05/02/2026	₹ 1500 Crores

2. Bank reported Borrowal Fraud of Rs. 1240.94 Cr. in NPA account of M/s SREI Equipment Finance Ltd (SEFL) and Rs. 1193.06 Cr. in NPA account of M/s SREI Infrastructure Finance Ltd (SIFL) to RBI. The above-mentioned Companies were successfully resolved under Corporate Insolvency Resolution Process (CIRP) by Hon'ble NCLT.

For Agarwal S. & Associates,
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

CS Shweta Jain
FCS No.: 7152
C P No.: 27503

Place: New Delhi
Date: April 30, 2026
UDIN: F007152H000240242

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

To,
The Members,
Punjab National Bank.

Our report of even date is to be read along with this letter.

- Maintenance of secretarial records is the responsibility of the management of the Bank. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank and our report is not covering observations/ comments/ weaknesses already pointed out by the other Auditors.
- Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations, happening of events, etc.
- The Compliance of the provisions of corporate and other applicable laws, rules,

regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Bank has proper Board-processes and Compliance-mechanism in place or not.

- The Secretarial Audit Report is neither an assurance as to future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.
- Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Secretarial Auditing Standards as prescribed by Institute of Company Secretaries of India (ICSI).

For Agarwal S. & Associates,
Company Secretaries,
ICSI Unique Code: P2003DE049100
Peer Review Cert. No.: 2725/2022

CS Shweta Jain
FCS No.: 7152
C P No.: 27503

Place: New Delhi
Date: April 30, 2026
UDIN: F007152H000240242

CERTIFICATE OF
NON-DISQUALIFICATION
OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Punjab National Bank

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Punjab National Bank (hereinafter referred to as 'the Bank') having Corporate Office at Plot No. 4, Sector 10, Dwarka, New Delhi-110075, Delhi, India, produced before us by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Bank & its officers, we hereby certify that none of the Directors on the Board of the Bank as stated below for the Financial Year ended March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Bank by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in the Bank
1.	Sh. Ashok Chandra	09322823	16-01-2025
2.	Sh. M. Paramasivam	08997088	01-12-2022
3.	Sh. Bibhu Prasad Mahapatra	08756848	09-10-2023
4.	Sh. D. Surendran	10174317	24-03-2025
5.	Sh. Amit Kumar Srivastava	08099846	24-11-2025
6.	Sh. D. Anandan	----	24-07-2025
7.	Dr. Uma Sankar	----	14-07-2023
8.	Sh. Ambarish Ojha	07008756	12-09-2024
9.	Smt. Vandana Bhagavatula	08352752	29-08-2025
10.	Sh. Jatinder Singh Bajaj ¹	----	06-10-2023
11.	Sh. Pankaj Sharma ²	----	11-04-2022
12.	Sh. Kalyan Kumar ³	09631251	21-10-2021
13.	Sh. Kumarapuram Gopalakrishnan Ananthakrishnan ⁴	00019325	07-11-2022

- 1 Sh. Jatinder Singh Bajaj has ceased to be Director with effect from June 06, 2025;
- 2 Sh. Pankaj Sharma has ceased to be Director with effect from July 24, 2025;
- 3 Sh. Kalyan Kumar has ceased to be Director with effect from September 30, 2025;
- 4 Sh. Kumarapuram Gopalakrishnan Ananthakrishnan has ceased to be Director with effect from November 06, 2025.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Bank. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

For Ragini Chokshi & Co.
Company Secretaries
Firm Registration Number: 92897

Date: April 28, 2026
Place: Mumbai

Ragini Chokshi
(Partner)
M. No.: 2390
COP No.: 1436
UDIN: F002390H000216483
PR No.: 4166/2023

Collaborating
to build a
Viksit Bharat

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT



BUSINESS RESPONSIBILITY &
SUSTAINABILITY REPORT

SECTION A offers a comprehensive overview of the entity, including its products and offerings, operational footprint, related parties, employees, Corporate Social Responsibility initiatives and transparency.

SECTION B details management and process disclosures related to the entity, highlighting the structures, policies, and processes implemented to adopt the NGRBC Principles and Core Elements.

SECTION C is designed to assist entities in demonstrating their performance in integrating the Principles and Core Elements into key processes and decisions. The information is mapped to nine principles of NGRBC and is categorized into “Essential” and “Leadership” indicators.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity-** The Bank is a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. The Bank is not a company registered under the Companies Act, 1956/2013 and therefore the provisions of the Companies Act with respect to the requirement of CIN is not applicable to the Bank. The Bank has a CIN - ‘PUNB’ for the limited purpose of filing of IEPF forms on MCA portal with respect to unpaid/unclaimed dividends.
2. **Name of the Listed Entity-** Punjab National Bank
3. **Year of incorporation** - Incorporated in 1895 and nationalized in 1970 under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970
4. **Registered office address-** Punjab National Bank, Corporate Office, Plot No.4,

- Sector-10, Dwarka, New Delhi -110075
5. **Corporate address-** Punjab National Bank, Corporate Office, Plot No.4, Sector-10, Dwarka, New Delhi -110075
6. **E-mail** - care@pnb.bank.in
7. **Telephone** - 011-28044835
8. **Website** - www.pnb.bank.in
9. **Financial year for which reporting is being done** - FY 2025-26
10. **Name of the Stock Exchange(s) where shares are listed** - Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Ltd. (NSE)
11. **Paid-up Capital-** Rs. 2298.59 crores
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report-**

Name: Shri Sunil Kumar Goyal
Designation: Chief General Manager, Data Analytics & Strategic Innovation Division
Telephone No.: 011-28044835
Email id: esgcell@pnb.bank.in
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)-** Disclosures made in this report are on a standalone basis focusing on the Bank’s operation pan India across various business verticals and at foreign branches.
14. **Name of assessment or assurance provider** - M/s Ummed Jain & Co. (Central Statutory Auditor)
15. **Type of assessment or assurance obtained** - BRSR Core Indicators - Reasonable assurance

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Banking and Financial Services	The Bank provides all banking products and financial services including acceptance of various kinds of deposits like savings, term, current, recurring deposits etc. and credit financing. It includes the following:	
		(i) Retail Banking - Comprises of borrower accounts having exposure less than ₹7.50Crores.	29.73
		(ii) Corporate/ Wholesale Banking - Comprises of lending activities of borrowers having exposure of ₹7.50Crores and above.	38.20
		(iii) Treasury - Includes the entire investment portfolio, trading in foreign exchange contracts and derivative contracts etc. The revenue under this segment primarily consists of fees and gains or losses from trading operations and interest/dividend income on the investment portfolio.	29.40
		(iv) Other Banking Operations - Segments not classified under (i) to (iii) above are classified under this primary segment.	2.67

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total contributed Turnover
1.	Deposits, Advances (Agriculture lending, MSME Lending, Retail lending, Corporate lending), Treasury products and Third Party Services	64191	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not Applicable*	10324 Branches, 11065 ATMs, 1058 Other offices, 4 HO buildings. Presence in 744 districts	22,451
International	Not Applicable*	Branches at: Dubai and Gift City, Ahmedabad	02

* Being a financial service entity, this section is Not Applicable.

19. Markets served by the Entity:

a. Number of locations

Locations	Number
National	28 states & 7 UTs (except Lakshadweep)
International	1

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable

c. **A brief on types of customers**

As a financial services institution, the Bank serves a diverse and extensive customer base across multiple segments. Its banking operations cater to individuals, corporates, farmers, government entities, start-ups, MSMEs, and other constituents, offering comprehensive range of products and services tailored to each segment.

The Bank’s customers represent a broad spectrum of industries and socio-economic backgrounds. It continually strives to deliver customer-centric banking solutions by enhancing its processes, products, and service delivery, with a strong focus on inclusive growth and digital-first approach.

The Bank serves various customer categories, including individual and joint account holders, non-resident individuals, partnership firms, societies, trusts, associations, companies, MSMEs, government bodies, and large corporate. As of 31 March 2026, the Bank proudly serves over 18.53 crore customers through its extensive branch network and robust digital platforms.

IV. **Employees**

20. **Details as at the end of Financial Year:**

a. **Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D) *	103184	77036	74.66 %	26148	25.34 %
2.	Other than Permanent (E) **	9	7	77.77%	2	22.22%
3.	Total employees (D + E)	103193	77043	74.66%	26150	25.34%
WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

* All three cadres i.e. Officer, Clerk, Sub staff have been included at Sr. No. 1

** in CISD, Customer Care centre and other offices.

b. **Differently abled Employees and workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<u>DIFFERENTLY ABLED EMPLOYEES</u>						
1.	Permanent (D)	3236	2657	82.11%	579	17.89%
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total differently abled employees (D + E)	3236	2657	82.11 %	579	17.89 %
<u>DIFFERENTLY ABLED WORKERS</u>						
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

21. **Participation/Inclusion/Representation of women**

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22.22 %
Key Management Personnel*	7	0	NA

* KMP includes- a) the Managing Director & Chief Executive Officer; b) Executive Directors(s); c) Chief Financial Officer; and d) Company Secretary

Note: - The position is as on 31.03.2026.

22. **Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees*	4.15%	4.14%	4.15%	3.27%	3.20%	3.26%	3.92%	2.86%	3.66%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

*All kinds of exits (i.e. resignations, deaths, compulsory retirement, termination etc.) have been considered for calculating turnover rate based on the following formula : (No. of persons who have left the employment of the entity in the FY *100) / Average no. of persons employed in the category)

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	PNB Investment Services Ltd.	Subsidiary	100.00	No
2	PNB Cards & Services Ltd.	Subsidiary	100.00	Yes
3	PNB Gilts Ltd.	Subsidiary	74.07	Yes
4	PNB Housing Finance Ltd.	Associate	28.04	Yes
5	PNB MetLife India Insurance Co. Ltd	Associate	30.00	Yes
6	Punjab National Bank (International) Ltd., UK	Subsidiary	100.00	No
7	DRUK PNB Bank Ltd.	Subsidiary	51.00	No
8	JSC Tengri Bank.*	Associate	41.64	NA
9	Everest Bank Ltd.	Joint Venture	20.02	No
10	Assam Gramin Bank	Associate	35.00	No
11	Bihar Gramin Bank	Associate	35.00	No
12	Himachal Pradesh Gramin Bank	Associate	35.00	No
13	Punjab Gramin Bank	Associate	35.00	No
14	Haryana Gramin Bank	Associate	35.00	No
15	Manipur Rural Bank	Associate	35.00	No
16	Tripura Gramin Bank	Associate	35.00	No
17	West Bengal Gramin bank	Associate	35.00	No

*License Revoked w.e.f. 18.09.2020 & is under Liquidation

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013:

No. CSR provisions under Companies Act, 2013 are not applicable to Punjab National Bank. However, as a socially responsible institution committed to strengthen social ties with the community at large, the bank has a Board approved Policy on CSR which is reviewed annually. Bank remains committed to giving back to the society and uplifting communities at large through various community development and social welfare initiatives.

(ii) Turnover (in Rs.) - 1,47,017.16 Crores

(iii) Net worth (in Rs.) - 1,18,317.14 Crores

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	www.pnb.bank.in	NIL					
Investors (other than shareholders)	www.pnb.bank.in	NIL					
Shareholders*	Yes, the details are given in Investor Corner on Bank's corporate website: https://www.pnb.bank.in/basic-information.html	43	0	Nil	47	0	Nil
Employees and workers	Yes- Internal "PNB Samadhaan " through HRMS (complaints related to HR matters)	3496	Nil	-	3661	121	-
	Sampark portal for Complaints related to HR matters for SC/ST/ OBC/PwD/Minorities.	119	Nil				
Customers	Yes, Policy is placed on the Corporate Website www.pnb.bank.in , under the Tab 'Customer Care – Policies'.	CGRMS- 78,740 CRM-4,95,758 Total-5,74,498	7,331	Excluding complaints which were resolved within T+1 days of its receipt.	CGRMS- 1,04,520 CRM-10,25,675 Total-11,39,830	28,855	Excluding complaints which were resolved within T+1 days of its receipt.
Value Chain Partners	-						
Other (please specify)	NIL						

*Including complaints received from Bondholders.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Risk	R & O	Risk: Physical Risk – Climate related events, such as floods, drought, cyclone, wildfires, sea level rise can damage properties, disrupt operations, and affect borrowers' ability to repay loans leading to increased loan defaults, asset devaluation, and higher insurance costs. Additionally, physical risks can hinder Bank's infrastructure, leading to operational disruptions and higher costs for recovery and adaptation Transition Risk – Shift to a low-carbon economy, driven by stricter environmental regulations, changing market preferences, and the phasing out of high-carbon industries may lead to financial losses from stressed assets, increased compliance costs, and a decline in demand for financing fossil fuel-based projects. Opportunity • Green finance through products like green bonds, green loans, and sustainability-linked financing. • As Government and industries focus on reducing carbon emissions, positioning oneself as leaders in green finance can attract environmental conscious investors and consumers, enhancing the market position and brand reputation. • Greening bank's own operations by investing in energy-efficient buildings, reducing carbon emissions, and promoting sustainability initiatives. This can enhance the Bank's sustainability credentials and potentially reduce long-term operational costs.	Conduct regular risk assessments , assessing portfolio and account level exposure, and develop risk management plans and infrastructure resilience . Segmented strategy for different sectors will be followed for mitigation 1. Promote Green sectors 2. Cautious approach for Brown sectors 3. Push towards efficiency in hard to abate sectors Align portfolio with sustainable practices and green finance initiatives.	Negative: Financial Loss due to damage to physical assets and disruptions in operations. Financial losses through stressed assets, higher loan defaults, and increased regulatory costs. It also heightens exposure to volatile market shifts as industries adapt stricter environmental policies. Positive: Meet the demand for financing climate-resilient infrastructure projects, offering new financing opportunities for banks. Expand portfolio in green technologies and sustainable projects. Positive: Growth in the Bank's sustainable financing portfolio. Adoption of proactive sustainability measures, including renewable energy integration, energy efficiency, and effective waste and wastewater management across Bank offices and branches, resulting in reduced carbon footprint and operational cost optimization.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Societal: Sustainable Finance	O	Emerging markets in Renewable Energy, Green Transport & Sustainable Agriculture offer strong growth potential	NA	Sustainable finance will aid the Bank to enter into new emerging markets and diversify its risk portfolio
3.	Governance: Data Privacy	R	Access to extensive confidential financial and personal data makes the Bank a constant target for cyber-attacks and data breaches.	The Bank prioritizes a strong cybersecurity framework, overseen by the Group Chief Information Security Officer (GCISO) and executed by a dedicated Cyber Information Security Division (CISD). This division manages the full lifecycle of cybersecurity, from control implementation, deployment and continuous monitoring, effectively safeguarding our IT infrastructure against a wide range of cyber threats.	Data breaches or loss of data could lead to erosion of customer trust and eventually loss to business
4.	Societal: Financial Inclusion	O	Allows Bank to tap previously untapped segments and expand customer base while enabling social and equitable development by empowering individuals and small businesses.	NA	Increased market penetration, CASA deposits, cross-selling revenue.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Societal: Financial Inclusion	R	Low-income customers may borrow from multiple institutions without having repayment capacity. Customers may be exposed to cyber frauds including phishing, spoofing etc, due to lack of financial awareness.	Customised credit risk assessment, CIR checks, responsible lending norms. Financial literacy campaigns, transaction alerts, robust cybersecurity measures.	Higher NPAs and provisioning. Frauds, compensation payouts, reputational damage
6.	Societal: Customer Centricity	O	Adopting customer centricity strengthens the Bank's ability to cultivate lasting & mutually beneficial client relationships.	NA	Increased customer satisfaction leads to higher customer retention, securing new customers and sustainable revenue growth.
7.	Social – Human Capital Risk and Social Capital Risk	R & O	Human Capital risks arise from challenges in effectively managing the workforce, which may adversely impact operational efficiency, employee morale, talent retention, and overall organizational sustainability. Social capital risks relate to the Bank's relationship with customers and other external stakeholders; failure to uphold customer rights and service standards may result in loss of trust, regulatory action, and reputational damage.	The Bank focuses on providing health benefits, conducting employee wellness programs, and promoting work-life balance to strengthen Human Capital. Additionally, it emphasizes enhancing customer service, collecting feedback, and continuously improving products and services to strengthen stakeholder relationships.	Positive: Reduced absenteeism, improved employee productivity, increased customer loyalty, and enhanced revenue. Negative: Costs associated with employee health and wellness programs.
8.	Governance: Regulatory Compliance	O	Ensuring regulatory compliance helps Banks operate within the bounds of law and thus establish trust with its stakeholders.	NA	Compliance with the regulatory measures will help banks promote sound practices and reduce the likelihood of excessive risk taking and financial instability.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

S. No.	Principle Description
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable.
P2	Businesses should provide goods and services in a manner that is sustainable and safe.
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
P4	Businesses should respect the interests of and be responsive to all its stakeholders.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect and make efforts to protect and restore the environment.
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
P8	Businesses should promote inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their consumers in a responsible manner.

S. No.	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available: Principle 1, 2, 3: Data Governance policy, Policy for Know Your Customer Principle 3, 5: Equal Opportunity Policy Principle 4: Customer Grievance Redressal Policy Principle 5: The Policy for Prevention, prohibition and Redressal of Sexual Harassment of Woman at workplace Principle 6: Climate Risk Management Policy, ESG Policy Principle 7, 8: Responsible Business Conduct Guidelines, Financing Framework for Green, Social and Sustainability Linked Activity / Projects of the Bank Principle 9: Customer Right policy, Customer Grievance Redressal Policy, Customer Compensation Policy. The policies are available on the Bank's website, https://pnb.bank.in/Home.aspx . However, some policies are internal policies and available to only internal stakeholders.									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes, the policies have been translated into procedures.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name of the national and international codes /certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Bank has obtained ISO 9001:2015 certification for following Divisions/ Departments: Principle 1: Compliance, Finance & accounts, Board and coordination. Principle 3: Human resources and Training Principle 4: Stressed asset Management, International Banking and Trade finance.								

	Principle 6: Integrated Risk Management Principle 8: Strategic management & Economic Advisory Principle 9: Digital banking & Transformation Bank has obtained ISO 27001:2022 certification for: Principle 2: Information technology, Cyber security.
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Bank has set a Net Zero target year of FY2031 for Scope 1 and Scope 2 emissions, and a Net Zero target year of 2060 for Scope 1, Scope 2, and Scope 3 emissions.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Bank is committed to creating a positive impact on the communities, it serves, while generating long-term value for all stakeholders, including shareholders, customers, & employees. Sustainability is embedded in the Bank's strategy, and its performance is periodically reviewed by the Sustainability and Resilience Committee.
Governance, leadership and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure). At Punjab National Bank, ESG has grown from a regulatory mandate to a key pillar of its corporate strategy. Our commitment to ESG integration continues to guide strategic evolution. Moving beyond conventional risk management, we are embedding sustainability metrics into our core lending and investment frameworks. By aligning our strategies with decarbonisation objectives and inclusive growth, we are transitioning towards a value-driven and sustainable banking framework. Our focus on transparency and ethical governance ensures that investment and lending practices contribute to a resilient, inclusive and equitable future. Through the Business Responsibility and Sustainability Reporting (BRSR) framework, we strengthen accountability and uphold high standards of governance and environmental sustainability. Responsible banking, for us, is not optional, it is the foundation that guides business decisions and supports our contribution to a low-carbon, sustainable future. During the year, the Bank strengthened its environmental initiatives under "Palaash 3.0", with a focused approach towards green financing, sustainable resource management and reduction in carbon footprint. Our commitment to environmentally responsible banking is reflected through initiatives such as biodegradable credit card, green products including Green Home Loans. The Bank has also set a long-term goal of achieving net zero emissions by 2060, in alignment with national climate commitments. On the social front, the Bank remains committed to inclusive growth and community engagement. Initiatives "PNB Sampark" continues to enhance outreach and accessibility, while the introduction of the Braille Credit Card reflects our focus on inclusivity (for visually impaired customers). The 'Unnati Path' program, along with the engagement of Indian women's cricket captain Ms. Harmanpreet Kaur as Bank's first female brand ambassador symbolizes our commitment to women empowerment and progressive values. The Bank also promotes employee engagement through initiatives such as PNB Khel Utsav and Taal Tarang. Employees well-being is further supported through initiatives like 'PNB Sparsh', providing access to professional psychological support. We continue to support self-employment and rural development through Farmer Training Centres, FLCs, RSETIs and Rural Development centers, along with financial literacy initiatives for farmers, SHGs and MSMEs. Our continued financing to Self-Help Groups embolden grassroots entrepreneurship and contributes to social upliftment. From a governance perspective, the Bank continues to uphold the highest standards of transparency, ethical conduct and accountability. Robust internal controls, strong compliance frameworks and continuous capacity building through structured training programmes reinforce governance practices across all levels. Specialized training on climate risk, renewable energy and green financing are equipping employees to align with evolving sustainability priorities, while initiatives such as the "Cyber Run" create awareness and strengthen organizational engagement. The Bank's efforts culminated to several prestigious awards and recognitions, including the Best BFSI Brands-ET Edge, CIMS ME Banking Excellence Awards for Best Bank in implementing Government Schemes and the Best MSME Friendly Bank category. The Bank was honored with the 21st IBA Banking Technology Awards for Fintech, DPI Adoption and Digital Financial Inclusion. Additionally, the Golden Peacock National Training Award and the Institutional Excellence Award, reflect excellence in workforce development and knowledge integration.	

As we move forward, sustainability will continue to be a core pillar of our strategy, guiding our approach towards responsible growth and long-term value creation. We remain committed to align our operations with sustainability leadership, social inclusiveness and robust governance practices, supporting national priorities across sectors and creating enduring value for our stakeholders.																			
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).										Shri D.Surendran Executive Director (DIN No. 10174317)									
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.										Yes. Sustainability issues are governed by Sustainability and Resilience Committee (SARC) headed by MD & CEO. Further, Risk Management Committee (sub-committee of Board) is also assigned specified sustainability related roles and responsibilities.									
10. Details of Review of NGRBCs by the Company:																			
Subject for Review		Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action		Bank's Board reviews the policies and the necessary changes are implemented post review.									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances		The Bank is in compliance with the extant regulations subject to review by the competent authorities.									Annually								
11.Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.		P1		P2		P3		P4		P5		P6		P7		P8		P9	
		P 7- Financing Framework for Green, Social and Sustainability Linked Activity / Projects of the Bank have been Externally Reviewed by CARE Analytics and Advisory Private Limited																	
12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:																			
Questions					P1	P2	P3	P4	P5	P6	P7	P8	P9						
The entity does not consider the Principles material to its business (Yes/No)					Not Applicable														
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																			
The entity does not have the financial or/human and technical resources available for the task (Yes/No)																			
It is planned to be done in the next financial year (Yes/No)																			
Any other reason (please specify)																			

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics /principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	26	All - Monetary Policy Framework and finances - AI and Generative AI in Banking, Operation Resilience of the Bank, Certification Programme in IT and Cyber Security for Board members, Reimagining Banking: Artificial Intelligence, Big Data and Climate Change - Program on Compliance and Risk for Top and Senior Officers of Banks, Financial Institutions and NBFCs, - Seminar on Credit Risk Management for the Board Members of Commercial Banks - Workshop with banks on cyber-enabled frauds and money mule accounts - Winning the underserved majority - Top Team Activation	100%
Key Managerial Personnel*	10	Principle 1,3, 6, 7 - Strategic Edge- Where Public Sector Leadership meets Future Thinking - Leadership development programme - Conference of Chief Financial Officers of Banks, FIs & NBFCs ,FIBAC 2025 - International Programme on ‘Reimagining Banking: Artificial Intelligence, Big Data and Climate Change’ for Leadership of Banking and Financial Services Sector - Decoding the proposed ECL regulations for Banks/FIs - Expected Credit Loss Capacity Building Training Programme.	100%
Employees other than BoD and KMPs	3403 (Online: 266 Physical: 3108 Hybrid: 29)	All - Programme for Ethics & Human Values at Workplace - Elementary KYC, Cyber Security Awareness, Fraud Prevention & Mule Accounts I4C, Preventive Vigilance Risk and Compliance culture, POSH & Gender Diversity, - ESG/Climate risk/Sustainable Finance, Customer service & Internal/RBI Ombudsman Schemes, DPDP Act 2023, PCIDSS - Disability Awareness & Sensitization of Staff towards inclusiveness, Equity & Diversity (Divyangjan) - Fire Safety Awareness - Enhanced Due Diligence and Threshold limit - Palaash 3.0 - National Pension System - Whistle Blower Policy - Awareness about Bank’s Vision, Mission and Values	86.36%
Workers		NA	

*Considering CFO and CS as Key Managerial Personnel.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the Regulatory/ Enforcement Agencies/ Judicial Institutions	Amount (in INR)	Brief of the case	Has an appeal been preferred? (Yes/ No)
Penalty/ Fine*	NIL				
Settlement	NIL				
Compounding Fee	NIL				
Non- Monetary**					
	NGRBC Principle	Name of the Regulatory/ Enforcement Agencies/ Judicial Institutions	Amount (in INR)	Brief of the case	Has an appeal been preferred? (Yes/ no)
Imprisonment	NIL				
Punishment					

* No penalties were levied on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015.

**In terms of the Bank’s Policy for determining materiality of events to be Reported to Stock Exchanges, no such instance has been reported to the Stock Exchanges in the year 2025-26

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NIL	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, The Bank has a Whistle Blower Policy to check unethical practices, corruption, malpractices, embezzlements and misappropriation of funds through preventive vigilance measures. It is committed to enhance investor and other stakeholders’ confidence and set high standards of transparency, ethical values for improving efficiency and growth of the organization. The objective of having the policy in place is to ensure practices based on transparency, accountability, protect the interest of the bank and adhere to the statutory and regulatory requirements. The policy is available on the Bank’s website <https://www.pnb.bank.in/whistle-blower-policy.html>. Besides this, the bank also has other channels for customers to report instances of corruption and bribery like bank’s on-line grievance redressal portal called Centralized Grievance Redressal Monitoring System (CGRMS), contact centers, and email.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26	FY 2024-25
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NA	NA

6. Details of complaints with regard to conflict of interest:

	FY 2025-26		FY 2024-25	
No. of complaints received in relation to issues of Conflict of Interest of the Directors.	NIL	Not Applicable	NIL	Not Applicable
No. of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	Not Applicable	NIL	Not Applicable

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No such instances, as mentioned in above tables 5 & 6.

8. Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2025-26	FY 2024-25
Number of days of accounts payables	55 days	54 days

Number Of Days account payable is calculated as expense payable /Operating expenses (Ex. Depreciation & Salary) *365

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metric	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		

Parameter	Metric	FY 2025-26	FY 2024-25
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.00%	0.00%
	b. Sales (Sales to related parties / Total Sales)*	0.78%	0.51%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.70%	0.92%
	d. Investments (Investments in related parties / Total Investments made)	0.92%	0.00%

*Including interest and other charges received on assignments of loan, royalty, rent received, commission, dividend received, etc.

Leadership Indicators

1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:

Total no. of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
		-

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes. The processes to avoid / manage conflicts of interests involving members of the Board are captured in the Model Code of Conduct for all members of the Board. Annual confirmation on adherence to the Model Code of Conduct is obtained from the Directors from the time of his/ her joining and thereafter, on annual basis.

PRINCIPLE 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

1. Percentage of Research and Development and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Nil
Capex	0.39%*	Nil	FY2025-26: Installation of solar power systems supports the transition towards clean and renewable energy, contributing to reduction in carbon emissions and improved environmental quality. The initiative also promotes sustainability awareness among stakeholders and supports indirect green employment opportunities, aligning with national climate and renewable energy goals in India.

* The capex investment of ₹4.63 crores made towards Rooftop Solar Power installation in FY 2025-26. This is 0.39% of total capital expenditure of ₹1180 crores of the Bank in FY 2025-26. The percentage does not include expenditure on software related procurements. The project of solar capacity installation totalling 1504 kWp covering 65 buildings of the Bank nationwide was initiated in FY 2024-25 and completed in FY 2025-26. The payment upto 70% of project cost has been made till 31.03.2026.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

As the Bank is in the Financial Services sector, material purchase for operations is not significant except paper. For other procurements for office, the Bank has a Procurement Policy wherein sustainability sourcing guidelines are mandated, like minimum threshold for star ratings of AC units, minimum standards for procurement of energy efficient electrical & electronic equipment.

b. If yes, what percentage of inputs were sourced sustainably?

These inputs are not currently quantified in our reporting as the primary functions of the Bank include the acceptance of deposits and dispensation of credit. The proportion of inputs sourced through sustainable means remains minimal in comparison to the Bank's core business operations. Nonetheless, the Bank sources items in compliance to Bank's procurement guidelines which incorporate Policy General Financial rules circulated by the Department of Expenditure, Ministry of Finance and Central Vigilance Commission (CVC) guidelines.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Bank's products/services do not involve material usage of plastics or any other hazardous materials. Therefore, reusing, recycling and disposing of the products at the end of life is not applicable as in case of plastics & other hazardous waste. However, in case of e-waste of Bank, disposal is through e-waste scrap dealers with CPCB/Delhi SPCB.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) is not applicable to the Bank's activities

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?:

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not applicable, as the Bank is not engaged in manufacturing activities.					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Not applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
Not applicable, as the Bank is not engaged in manufacturing activities.		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Bank's products/services do not result in post consumption waste generation; hence no such waste is reclaimed by the Bank.					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by								Day Care facilities*	
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits			
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
	Permanent employees										
Male	77036	77036	100	77036	100	0	0	77036	100	77036	100
Female	26148	26148	100	26148	100	26148	100	0	0	26148	100
Total	103184	103184	100	103184	100	26148	25.34	77036	74.66	103184	100
	Other than Permanent employees										
Male	7	NIL									
Female	2										
Total	9										

*The Bank offers Day Care facilities through on-site creches which are presently operating in Dwarka (Delhi), Gurgaon, Faridabad, Lucknow, Panchkula and Bhikaji Cama (Delhi). Employees deployed at these centers can avail the benefit of the same. Other employees are eligible for reimbursement of a subsidy amount /expenses incurred by them for off-site and private Child Care facilities.

b. Details of measures for the well-being of workers:

		% of employees covered by										
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities		
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)	
	Permanent workers											
Male	NA											
Female												
Total												
	Other than Permanent workers											
Male	NA											
Female												
Total												

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

Segment	Total number of training and awareness programmes held	%age of persons in respective category covered by the awareness programmes
Cost incurred on wellbeing measures as a % of total revenue of the company	0.33%	0.29%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	0.13%	NA	Y *	0.16%	NA	Y *
Gratuity	100%	NA	NA	100%	NA	NA
ESI	NA	NA	NA	NA	NA	NA
Others - Pension	17.10%	NA	Y *	19.34%	NA	Y *
Others - NPS	82.77 %	NA	Y	80.50%	NA	Y

* Deducted and deposited in Bank's own PF and Pension Trust

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

- The Bank ensures that all its offices and branches are accessible to differently abled employees and customers, by commissioning ramps and divyangjan-friendly amenities. This is ensured at the time of construction of the bank's own buildings and hiring of premises on lease. Recently stair lift/Platform lift are also installed in three branches.
- The guidelines for providing barrier free environment to "Divyangjans" are incorporated in the Policy for Hiring Bank's Premises on Lease. The same is also reported to DFS, GOI and updated on a regular basis.
- Further, the Bank also provides doorstep delivery of financial services to Divyangjans through doorstep banking.
- As on 31.03.2026, Bank's 10,583 ATMs (i.e. 95.64 % ATMs) out of total 11,065 ATMs and Bank's 8,877 branches (i.e. 85.98% Branches) out of total 10,324 branches have ramp facilities. For, the remaining branches (14.02%) and ATMs (4.36%), where it is not feasible to provide ramp facility, notices have been displayed in compliance to RBI guidelines. Tactile guiding path has also been provided in 1249 branches for convenience of visually impaired persons. However, in cases where the permanent ramp is not available in leased premises, temporary ramp facilities are provided.
- The Bank offers a Braille Debit Card called PNB ANTAH DRISHTI for visually impaired customers. This card has Braille dots embossed on it to help customers identify the bank and their card. While the card itself has Braille features, PNB ATMs are equipped with standard keypads with raised markings on the numerical keys and functional keys like "enter," "cancel," and "clear," to guide its users.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Bank has an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. Equal opportunity means that all employees experience fairness, impartiality and equal access to all career initiatives at workplace. It promotes an inclusive work environment that values and accepts the diverse, cultural and social background of its staffs. Punjab National Bank is committed to create an inclusive workplace which provides equal opportunities in employment and where every employee is treated with respect and dignity. The present policy is in compliance with the Rights of Persons with Disabilities Act, 2016 and the Rights of Persons with Disabilities Rules, 2017. The objective of the Policy is to ensure that the work environment is inclusive and free from any form of discrimination and bias against people with disabilities. The Equal Opportunity Policy is applicable to all Branches/Offices of Punjab National Bank located in India and covers all persons with disability and acquiring disability during service period / work tenure in the Bank. The policy applies at all stages of employment commencing from recruitment, training, working conditions, salary and allowances, staff welfare facilities and perquisites, transfer and deployment and finally to separation etc. The policy can be accessed on our official website <https://www.pnb.bank.in/>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate*	Return to work rate	Retention rate
Male	100%	99.81 %	NA	NA
Female	100%	99.59 %	NA	NA
Total	100%	99.72 %	NA	NA

* Considering those employees whose maternity/Paternity leave ended in FY 2024-25 and Left (Resignation) the Bank (Because of any reason) in FY 2025-26 (till 31.03.2026).

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	N.A.
Other than Permanent Workers	N.A.
Permanent Employees	Yes, Bank has a formal platform, "PNB Samadhaan" for redressal of various grievances/ addressing problems faced by the employees of the Bank. The functionality has been provided in HRMS, to enable them to lodge their grievances/ complaints online. PNB Sampark portal has been made available to SC/ST/OBC/PwD/Minorities employees for registering grievances on HR matters.
Other than Permanent Employees	Yes, they may submit their grievances to respective departments.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	103184	99820	96.74 %	102746	100360	97.68%
Male	77036	74360	96.52 %	77204	75306	97.54%
Female	26148	25460	97.37 %	25542	25054	98.09%
Total Permanent Workers	Not Applicable					
Male						
Female						

8. Details of training given to employees and workers:

	FY 2025-26					FY 2024-25				
Category	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	77036	66645	86.51	69935	90.78	77204	28658	37.11	48139	62.35
Female	26148	22476	85.95	23199	88.72	25542	7015	27.46	12995	50.87
Total	103184	89121	86.37	93134	90.26	102746	35673	34.72	61134	59.50
Workers										
Male	Not Applicable									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No.(B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	77204	77204	100 %	77359	77359	100 %
Female	25542	25542	100 %	24990	24990	100 %
Total	102746	102746	100 %	102349	102349	100 %
Workers						
Male	Not Applicable					
Female						
Total						

Annual performance appraisal / reviews are done on yearly basis for all employees i.e., officers and workmen cadre by taking data of previous year i.e., for FY2025-26, employee data for FY 2024-25 is taken. Data for FY 2024-25, in previous report was taken into consideration for officers only, now revised data of all employees has been taken and accordingly figures are changed.

10. Health and safety management system:

a. Whether occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes. As per standard norms, the Bank has implemented occupational health and safety management system.

All the Bank's branch premises are classified under various risk categories (Low Risk, Medium Risk and High Risk) according to various parameters (Location, Operational & Economic, Psychological and Structure & Layout) prescribed in the Risk Assessment Format by the IBA. Bank has a team of Security Officers and Fire Safety Officers who conduct regular security and fire safety inspections of the Branches. Well defined checklists and formats of inspection/ audits are prescribed for periodic inspection and audits to identify risk/ hazards.

Further, in case of any incident, if any gaps are observed during investigation

by Security Officer/ Fire Safety Officer then the gaps are studied, analyzed and thereafter suitable corrective measures are implemented to mitigate the risk.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Bank follows a structured and proactive approach to identify, assess and mitigate work-related hazards to ensure employees safety and regulatory compliance. All the Bank's branch premises are classified under various risk categories (Low Risk, Medium Risk and High Risk) according to various parameters (Location, Operational & Economic, Psychological and Structure & Layout) prescribed in the Risk Assessment Format by the IBA.

- Bank has a team of Security Officers and Fire Safety Officers who conduct regular security and fire safety inspections at the Branches.

- Mock drills are also being conducted in Admin/Branch Offices by the Security/ Fire Officers to make staffs aware of various fire related risks. Security/Fire Officers also brief branch staffs on security and fire related risks during their mandatory visits to branches.
- The regular electrical audit of branches/ offices is done to take pro-active actions, which minimises chances of fire hazards due to electrical installation, improves energy efficiency, and fosters cost savings.

Further, in case of any incident, if any gaps are observed during the incident investigation by Security Officer/ Fire Safety Officer then the gaps are studied, analyzed and thereafter, suitable corrective measures are implemented to mitigate the risk.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)
- NA
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. The Bank has a medical insurance scheme for its employees and their dependents. Further, for helping the employees to keep a periodic check on their health conditions, Annual Health Check-up facility is provided to all full-time employees (above 35 years of age) and their spouses.

Bank has engaged 2 experienced professionals centrally i.e. one psychologist for consultation on post maternity resumption of work, and one psychologist for all employees for general consultations, both telephonic.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NA	NA
	Workers	NA	NA
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

*including contract workforce

- As the Banking is a part of service industry and no work is being done at construction sites, there is negligible possibility of incidents of fatalities or injuries that take place while discharging duties of the Bank.
- Further, the Bank is not required to maintain such data.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- The Bank recognizes that safe and healthy workplace is integral to its success and growth. The major workplace safety related risks include fire safety at branches, administrative buildings and ATM, security of ATMs, currency chests and cash in transit, electrical safety in premises etc. To ensure safe and healthy workplace, bank has formulated various policies like (the safety policy, physical security policy etc.
- The Bank takes measures to ensure safety at workplace by installing Fire safety equipment and CCTV surveillance. The same is ensured by conducting regular audit by Fire Safety Officers as per Bank's

policy guidelines. Further, the Bank has mandatory guidelines for Electrical audit of all its premises at regular intervals by independent auditors.

- The Physical Security Policy aims to provide a safe and secure environment at all the Branches and Offices of the Bank minimizing impact of cash loss incidents, unfortunate incidents and incidents on account of natural disaster.
- For a healthier workplace, the Bank has setup Gymnasium facilities and recreational facilities at its prominent buildings like HO, training centres etc., For the improved air quality in the office premises, Bank's premises are equipped with proper ventilation outlets.

Further, the Bank has a policy in respect of Branch Ambience, which includes the amenities to be provided for ensuring convenience to all its employees and customers.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remark
Working Conditions	NIL					
Health & Safety						

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & safety practices	The Electrical audit of 100% of branches are conducted once in every 2 years by independent auditors.
Working conditions	The ambience of all the branches is assessed by the Bank and measures are taken to address the observations.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

As part of its health & safety management system, the Bank regularly assesses risks and implements corrective and preventive actions to address safety related incidents and emerging concerns. Although, the Banking sector is typically a low risk industry in terms of physical hazards, the Bank remains vigilant in identifying risks related to employee wellbeing, workplace safety and emergency preparedness.

The Bank regularly communicates and provides training to its employees on safe evacuation, operating fire extinguisher equipments, during fire incidents. Further, the Bank's offices are equipped with fire safety instruments and regular audit is conducted to ensure that those are operational.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Yes/No) (B) Workers (Yes/No).

Yes. The Bank offers Payment of Lumpsum ex-gratia to the kins of the deceased employee. Compassionate Appointment is offered to the spouse/dependent of the deceased employee. Terminal benefits of the employee are settled on a priority basis.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Not Applicable

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities

(as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees/ workers	Nil	Nil	Nil	Nil
Workers	Not applicable			

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes. The transition assistance training is provided to all the employees on the verge of retirement. Accordingly, in FY 2025-26 1,113 employees were provided training prior to their retirement. This training includes sessions on managing the retirement and opportunities' that exist within bank and beyond.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

There is no defined process to identify stakeholders.

The stakeholders have been identified by the bank on the basis of relationships, interactions and impact they have on the performance, operations and their value they create and add to the business. Bank operates in an inter-connected world and it is important to understand the impact of its activities on its stakeholders and vice versa.

The key stakeholder groups of our Bank majorly comprise of shareholders, customers, employees, Investors, Government of India, Regulators and Community at large. The Bank's role is to aid and engage with the stakeholders in areas which are relevant to operations and performance of the bank. Regular interactions are undertaken with the stakeholder groups to evaluate and address their expectations in an efficient and equitable manner.

PNB is committed to provide exceptional Banking services and high returns on investments to all its Stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Emails, Newspapers, Letters, Notices, Website, Stock Exchange Disclosures, Webcast/Audio Calls, Investor Conferences, General Meetings	Quarterly, need based	- Approval of the Audited Financial Results - Declaration of Dividend - Raising of Equity Capital - Interaction with Investors/Analysts, etc. The queries/ concerns raised during the General Meetings are addressed in a time bound manner.
Employees	Yes, the following group of employee : employees with special abilities	Internal communication like emails and circulars, webinars, townhall meetings, Zonal Managers' Conferences, SAMADHAAN Portal, address by Senior Management, Newsletters & Publications	Regular	To address and understand the expectations of employees while also communicating management's expectations from employees. Additionally it also seeks to resolve various issues of employees suitably.
Customers	Yes, especially the following group of customers:- Senior Citizens, people with special abilities.	Emails, Newspapers, Letters, Website	Daily/Continuous	Better services and marketing.
Government	No	Emails, Letters, Meetings	Need Based	Performance of the Bank, Compliance of guidelines.
Regulator	No	Emails, Letters, Meetings, Offsite and Onsite monitoring	Need Based	Performance of the Bank. Compliance of guidelines.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Bank conducts engagement of stakeholders periodically through structured mechanisms like customer feedback, employee surveys, vendor meetings and CSR consultations. Insights from these engagements are compiled by the respective functional teams and escalated to the Board through quarterly ESG/CSR updates and risk reports. Key issues such as employee well-being,

climate-related risk, and social impact are reviewed by the Board or relevant committees (e.g., CSR Committee, Risk Management Committee) to guide strategic actions.

- Interactions are held with the shareholders on agenda items viz. approval of the Audited Financial Results, Declaration of Dividend, Raising of Equity Capital, Election of Shareholder Director, etc., at the General Meetings wherein the Directors of the Bank including the Chairpersons of Audit Committee of the Board, Stakeholders Relationship Committee and the Nomination & Remuneration Committee are present and the feedback received from the shareholders are taken on record.

- Recognizing regulators as vital stakeholders, the Bank engages with them through structured framework of meetings, conferences and written communications. These interactions foster open dialogue on newly introduced regulations, compliance requirements and broader issues spanning economic, social, and environmental domains. Significant meetings or interactions with regulatory authorities (e.g, RBI, SEBI) are documented, and key action points are placed to the Board for oversight and guidance.
- The Bank maintains open lines of communication with its employees and encourages feedback through multiple channels such as employee surveys, town hall meetings, communication portals, and emails. All suggestions and concerns are documented and deliberated at appropriate organizational levels. Wherever feasible, relevant recommendations are acted upon, contributing to a culture of continuous improvement and inclusivity.
- The Bank is also cognizant about the evolving needs of its customers and offers new products to cater to changing customer preferences for convenience of banking across channels. The Bank interacts with customers to redress grievances and gather insights on other matters by conducting branch visits, surveys, QR Feedback system and on social media platforms.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is held to support the identification and management of environmental, and social topics. Bank engages with its key stakeholders on

an ongoing basis to identify the most relevant environmental and social topics of interest for its stakeholders and addresses them through regular updates to policies and programs.

Through this structured engagement, the Bank has also been able to assess potential ESG risks and opportunities, enabling the Bank to develop responsive strategies that mitigate negative impacts and enhance positive outcomes.

Based on stakeholder input, the Bank introduced green financing scheme solutions to support projects in renewable energy and sustainable infrastructure.

Feedback from underserved communities led to enhanced financial inclusion initiatives, including simplified digital banking services and financial literacy programs.

Employee feedback helped strengthen the Bank's Equal Opportunity Policy and promote a more inclusive and diverse workplace.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

- Bank inspires the marginalized, unbanked and financially excluded sections of the society to contribute their share to the economy. Access to financial services is of utmost importance to strengthen these marginalized sections and make a significant contribution to their social and economic development.
- Bank extends Doorstep Banking facility for senior citizens and differently abled customers.
- The Bank is continuously making efforts so that all its offices/branches are accessible (without any inconvenience to Divyangjans both employees and customers), by commissioning ramp facility and other

amenities conducive to specially abled ones. Also, Bank offers a Braille Debit Card PNB ANTAH DRISHTI for visually impaired customers. This card has Braille dots embossed on it to help customers identify the bank and their card. While the card itself has Braille features, PNB ATMs are equipped with standard keypads with raised markings on the numerical keys and functional keys like “enter,” “cancel,” and “clear,” to guide its users.

- The Bank has established 12 Farmers Training Centres which provide training on agriculture & allied activities. Training programs include organic farming, fertilizer management, bee keeping, dairy farming, etc. for the farmers. The Bank spent Rs. 1294.71 Lakh on this account during FY 2025-26. There are 78 RSETIs under aegis of Ministry of Rural Development (MoRD) and 2 Rural Development Centres (PNB initiative) operating in India which are engaged in providing training to

rural population and their families for upskilling them to take up own ventures and employments. During the FY 2025-26, 69,798 persons were trained in these centres out of which 61,022 belong to Below Poverty Line (BPL) families and 56,769 were women.

- The Bank has 163 Financial Literacy Centres (FLCs) conducting number of seminars/programmes/camps on Financial Education, Preventive Counselling and Customer Rights. The Target groups of the programmes conducted by FLCs are Farmers, Self Help Groups, Micro and Small Entrepreneurs, Senior Citizens etc.

PRINCIPLE 5 BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D)	% (D / C)
Employees						
Permanent	103184	89121	86.37	102746	35673	34.72
Other than permanent	NIL					
Total Employees	103184	89121	86.37	102746	35673	34.72
Workers						
Permanent	Not Applicable					
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than minimum wage		Total (D)	Equal to Minimum Wage		More than minimum wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Employees										
Permanent	103184	Nil	Nil	103184	100 %	102746	Nil	Nil	102476	100 %
Male	77036	Nil	Nil	77036	100 %	77204	Nil	Nil	77204	100 %
Female	26148	Nil	Nil	26148	100 %	25542	Nil	Nil	25542	100 %
Other than Permanent	9	Nil	Nil	9	100 %	Not Applicable				
Male	7	Nil	Nil	7	100 %					
Female	2	Nil	Nil	2	100 %					
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages

	Male		Female	
	No.	Median remuneration/ salary/ wages of respective category	No.	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	3	Rs 18,40,000	1	Rs 21,50,000
Key Managerial Personnel#	7	Rs. 41,55,116^	NIL	NA
Employees other than BoD and KMP	77,036	Rs. 12,55,289^	26,148	Rs. 11,36,363^
Workers	NA			

*BoD-Median remuneration/ salary/ wages has been calculated based on the Sitting Fee paid to the Independent Directors during FY 2025-26. As on 31.03.2026, there were two Independent Directors on the Board of the Bank.

KMP includes- a) the Managing Director & Chief Executive Officer; b) Executive Directors; c) Chief Financial Officer; and d) Company Secretary

^calculation based on Gross Salary (Basic & DA, Bonus, Allowances) and Gratuity paid during FY 2025-26.

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2025-26	FY 2024-25
Gross Wages paid to females as % of total wages	24.09%	22.63%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, Cell at HO-HRD (Reservation Cell) deals with such issues.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Bank has an online grievance redressal portal "Samadhaan" for employees where all complaints including Human rights related complaints may be made. The Bank has a well-established policy - The Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Work

Place for implementation of the provisions of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013." Also, the bank has Whistle Blower Policy to establish a mechanism for protected disclosure of any allegation of corruption or wilful misuse of power or wilful misuse of discretion against any employee of the bank. The bank also strictly prohibits all forms of child or forced labour.

Bank has also established an Equal Opportunity Policy to avoid any kind of workplace discrimination. It is applicable to all Branches/ Offices of Punjab National Bank located in India and covers all persons with disability and those who acquire disability during their service period / work tenure in the Bank. The policy encompasses all stages of employment commencing from recruitment and training, to working conditions, salary and allowances, staff welfare facilities and perquisites, transfer and deployment and finally separation etc.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	20	2	ICC enquiry is under process within POSH timeline	24	6	NIL
Discrimination at workplace (Received through various Commissions)	39*	0	NIL	32*	0	NIL
Child Labour	Nil					
Forced Labour/Involuntary Labour	Nil					
Wages	Nil					
Other human Rights related issues	Nil					

*CY= Calendar Year

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	20	24
Complaints on POSH as a % of female employees / workers	0.07%	0.09%
Complaints on POSH upheld	5	9

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Bank has taken following steps to safeguard interest of SC/ST/OBC/PwBD/ Ex-SERVICEMEN/EWS employees and prevent adverse consequence to the complainant reporting discrimination and harassment:

- "PNB SAMADHAAN", a formal platform for redressal of various grievances/ problems faced by the employees of the Bank is available and a functionality has been provided in HRMS for all the employees to enable them to lodge their grievances/ complaints online through HRMS. PNB SAMADHAAN covers all professional and personal problems faced by serving staff members having a bearing on their functioning. Other issues may be considered if the employees feel there is violation of rules or that there is clear cut case of injustice or victimization. Strict confidentiality is maintained.

- The Chief Liaison Officer for SC/ST and OBC has been appointed in the rank of General Manager to safeguard the interest of employees belonging to SC/ST, OBC, Ex-Servicemen, EWS and PwBD at Head Office level. Further, Liaison Officers have also been appointed at Circle Offices and Zonal Offices.
- A reservation cell has been set up at every Circle Office/ Zonal Office and in the Head Office to look into the grievances of SC/ST and OBC employees.
- Internal Complaint Committee has been set up to look into the sexual harassment complaints at Circle Offices/ Zonal Offices and Head Office. Bank also ensures that the aggrieved employee or witnesses are not victimized or discriminated against while dealing with the complaints of sexual harassment. Strict confidentiality is maintained, and the details of the complaints are only disclosed to the Internal Committee (IC), which takes appropriate steps for redressal.
- Further, the Bank's Whistle Blower Policy has in place distinct clauses for protection of the whistle blower, which ensures confidentiality and obviates penal action against complainant out of vindictiveness. Identity of the whistle-blower is not disclosed to the investigating official.

9. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, Bank is following diligently the practice of upholding human rights in all business contracts, procurement of works & services, in compliance of minimum wages, workmen insurance, workmen safety etc.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Not Applicable
Forced/involuntary labour	Not Applicable
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Not Applicable
Others – please specify	Not Applicable

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

There has not been any human rights complaint that has led to the review, modification, or implementation of any business processes. However, the Bank ensures that its business processes strictly adhere to fundamental human rights, as articulated in Human Rights Statement. This commitment is reflected in every aspect of its operations, underscoring Bank's dedication to ethical and responsible conduct. Additionally, the bank conducts various awareness and training programs designed to sensitize its employees regarding ethical behaviour, respect for human rights and importance of integrity in all business dealings.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Bank has put in place 'no discrimination policy' underscoring its commitment to fair and equitable treatment for all stakeholders. It ensures that all activities and decisions are conducted above board with utmost diligence.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Bank is continuously making efforts to ensure convenient and hassle free accessibility to differently abled visitors in all its offices/branches. The efforts are made to provide permanent ramps, however, in cases where the permanent ramp is not possible in leased premises, temporary ramp facilities are provided. Recently Stair lift/Platform lift has also been commissioned in three branches. As on 31.03.2026, Bank's 10,583 ATMs (i.e. 95.64 % ATMs) out of total 11,065 ATMs and 8,877 branches (i.e. 85.98% Branches) out of total 10,324 branches are having ramp facilities. For, the remaining branches (14.02%) and ATMs (4.36%), where it is not feasible to provide ramp facility, notice has been displayed in compliance to of RBI guidelines. Tactile guiding path has been provided in 1249 branches for convenience of visually impaired persons.

The Bank follows the Reserve Banks of India and IBA's Banker's guide for dealing with the customers with special needs. Bank is committed to offer all banking services and products to customers with disabilities including visually impaired, without discrimination.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26 (GJ)	FY 2024-25 (GJ)
From Renewable sources		
Total electricity consumption (A)*	2,555	1,036
Total fuel consumption (B)	NIL	NIL
Energy consumption through other sources (C)	NIL	NIL
Total energy consumed from renewable sources (A+B+C)	2,555	1,036
From non-renewable sources		
Total electricity consumption (D)#	8,32,043	8,62,117
Total fuel consumption (E)#	2,61,966	2,62,236##
Energy consumption through other sources (F)	NA	NA
Total energy consumed from non-renewable sources (D+E+F)	10,96,564	11,24,353
Total energy consumed(A+B+C+D+E+F)	10,96,564	11,25,389
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations in INR Lacs)	0.07	0.08
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP**) (Total energy consumed / Revenue from operations adjusted for PPP) (INR Lacs)	1.52	1.65
Energy intensity in terms of physical output (Total energy consumed / Full Time Employees)	NA	NA
Energy intensity (optional) - (Total energy consumed / Full Time Employees)	10.62	10.95

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? - Yes, Reasonable Assurance has been carried out by Bank's Statutory Central Auditor -M/s Ummed Jain & Co. for BRSR Core for FY 2025-26, as per SEBI guidelines.

* Renewable energy consumption data is available for 2 large HO buildings (at Dwarka and Gurugram) and other 47 (out of 65) bank owned buildings pan India. As such, it does not cover the renewable energy from solar plant installed at Bank's ATMs and other remaining buildings.

** PPP conversion rate is used as published by the World Bank for India, for FY 2024-25: 20.2Rs/ USD (year 2023) & for FY 2025-26: 20.42 Rs/ USD (year 2024). Weblink: https://data.worldbank.org/indicator/PA.NUS.PPP?name_desc=false

Non-renewable energy data given is pertaining to the Bank's entire branches/offices on PAN India basis.

The fuel consumption amount is recalculated on account of change in methodology of computation of fuel consumption in Bank's own vehicles, in order to increase the accuracy. On detailed analysis, it was observed that spend based data was more accurate & reliable compared to quantity based data, hence the computation is now done based on the spend based data for Bank owned vehicles. It is to be noted that there is no recalculation done for fuel consumption by Gensets.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Our Bank is not identified as Designated Consumers (DC), hence the same is not applicable.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,83,087	2,39,403
(ii) Groundwater	NA	NA
(iii) Third party water	10,28,741	9,94,275
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	12,11,828	12,33,678
Total volume of water consumption (in kilolitres)	12,11,828	12,33,678
Water intensity per rupee of turnover (Total water consumption / Revenue from operations in INR Lacs)	0.08	0.09
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP*) (INR Lacs)	1.68	1.80
Water intensity in terms of physical output	NA	NA
Water intensity (optional) (Total water consumption / No. of Full Time Employees.)	11.74	12.01

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, Reasonable Assurance has been carried out by Bank's Statutory Central Auditor -M/s Ummed Jain & Co. for BRSR Core for FY 2025-26, as per SEBI guidelines.

* PPP conversion rate is used as published by the World Bank for India, for FY 2024-25: 20.2Rs/ USD (year 2023) & for FY 2025-26: 20.42 Rs/ USD (year 2024). Weblink: https://data.worldbank.org/indicator/PA.NUS.PPP?name_desc=false

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		The Bank does not generate industrial wastewater. However, for the sewage produced, Bank has taken proactive steps installing sewage treatment plants (STP) at some of its larger office premises. The majority of offices of the Bank are branches spread nationwide, wherein the sewage is discharged as per local guidelines i.e. discharge is made to municipality or other bodies as applicable, wherein suitable treatment is done by municipalities/bodies. Hence, it not included in Bank's reporting.
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Bank's Head Office has a zero liquid discharge Sewage Treatment Plant. Further, in other major buildings like PNB Pragati Towers, BKC Mumbai and PNB Building at Gurugram, Sewage Treatment Plants have been installed. As such, the STP treated water is reused for horticulture and toilet flush in these buildings.

Further, Rainwater harvesting systems are also implemented in 8 of the Bank's buildings i.e., HO Dwarka Delhi, BKC Mumbai, Dehradun, and Training Centres at ALI Delhi, ALI Lucknow, STC Lucknow, STC Faridabad & STC Ludhiana.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	NOT APPLICABLE		
SOx			
Particulate matter (PM)			
Persistent			
pollutants (POP)			
Volatile			
Hazardous air pollutants			
(HAP)			
Others- please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NA

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	10,075	10,194#
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,64,328	1,74,100
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 Equivalent/ Revenue in INR lacs	0.01	0.01
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 Equivalent/ Revenue adjusted for PPP (INR lacs)	0.24	0.27
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tonnes of CO2 Equivalent/ Full Time Employees	1.69	1.79

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, Reasonable Assurance has been carried out by Bank's Statutory Central Auditor -M/s Ummed Jain & Co. for BRSR Core for FY 2025-26, as per SEBI guidelines.

* PPP conversion rate is used as published by the World Bank for India, for FY 2024-25: 20.2Rs/ USD (year 2023) & for FY 2025-26: 20.42 Rs/ USD (year 2024). Weblink: https://data.worldbank.org/indicator/PA.NUS.PPP?name_desc=false

Scope 1 emission is recalculated on account of change in methodology of computation of emissions from Bank's own vehicles, in order to increase the accuracy. On detailed analysis, it was observed that spend based data is more accurate & reliable compared to quantity based data. Hence the computation is now done based on the spend based data for Bank owned vehicles as against the earlier computation on quantity based data.

Scope 1 greenhouse gas (GHG) emissions of the Bank arise from direct sources owned or controlled by the organization. These include: (i) fuel combustion in Bank-owned vehicles and diesel generator (DG) sets; (ii) fugitive emissions from refrigerant leaks in air conditioning (AC) and HVAC systems; and (iii) CO2 emissions from the use of fire extinguishers during routine fire drills and safety demonstrations. Spend data on fuel is used to arrive at the litres of fuel consumed. Emission factor for petrol and diesel has been sourced from India GHG Program, India Specific Road Transport Emission Factors: Version 1, 2015. GWP factor of refrigerants (for converting emission to tCO2 equivalent) is sourced from Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report 2014. Emission from refrigerant leakage and refilling is calculated for HO building and 14 training centres of the Bank.

Scope 2 greenhouse gas (GHG) emissions of the Bank arise from the consumption of purchased electricity for the operation of its branches, offices, data centres, and other facilities. These are indirect emissions resulting from the generation of electricity purchased from external energy providers. Spend data on electricity is used to arrive at the units of electricity consumed. Emission factor per unit of electricity is taken from the Central Electricity Authority (CEA) in its report "CO2 Baseline Database for Indian Power Sector, User Guide-Version 20.0 of December 2024 & Version 21.0 of November 2025).

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

The Bank has taken up numerous projects related to reducing Green House Gas emission. Some of the major projects undertaken and planned for future are given hereunder:

- A) Solar Power Plant installation in Bank's owned buildings are being done to reduce the GHG emissions by reducing consumption of fossil fuel based electricity:
- Total installed solar capacity at Bank premises stands at 3382 kWp as under:
 - ✓ 1228 kWp solar power plants already installed in bank buildings.
 - ✓ 1504 kWp solar power projects at various bank owned existing buildings pan India are initiated in FY 2024-25 & completed in FY 2025-26.
 - ✓ 650 kWp of solar capacity installed in 182 branches (leased premises) in the last quarter of FY 2025-26.

- 583 kWp solar power plants are under implementation in under-construction large building projects of the Bank.
 - Augmentation of solar capacity (from 295 KW to 1403 KW) has been initiated at HO Dwarka & Gurugram buildings.
 - Solar power installation in remaining branches is being undertaken based on roof rights availability and technical feasibility.
- B) Installation of energy efficient equipment, like 5 Star ACs, VRF AC, light fixtures, fans etc. to reduce the energy consumption and thereby contribute to the reduction of GHG emissions.
- C) Installation of Natural Gas Based Gensets (2 Nos x 1000 KVA) at HO Dwarka building to replace Diesel Gensets.
- D) The Bank is in the process of transition to Hybrid/EV vehicles for the executives from the IC vehicles. Till 31.03.2026, the Bank has procured 12 EV cars & 201 Mild hybrid cars in its fleet of total 1219 cars at pan India level.
- E) The Bank has installed EV charging station at HO building to encourage use of EVs. The Bank has installed Cycle Stand in the Head Office building to encourage commuting by bicycles.
- F) As a part of replacing the DG sets in branches pan India by a greener solution, a project for installation of Solar Hybrid UPS system on Proof of Concept (POC) basis on Opex model has been undertaken, wherein a Solar UPS system of 8.5 KW capacity has been installed in one branch. After evaluating the efficacy of this system, the decision shall be taken on implementing such type of system

in other branches. This will help in reducing emissions by reduction in diesel consumption in DG sets.

- G) All the new ACs and AC plants being installed in the Bank are with Low GWP Refrigerant Gas to reduce the GHG emissions.
- H) Installation of LED Glow Sign Boards at branches of the bank, with timer facility.
- I) Bank's Head Office building situated at Dwarka, New Delhi is a five star GRIHA rated building. The Bank is planning to build GREEN buildings in all its ongoing projects.
- J) Bank is opting for green tariff option (wherein the energy source is renewable energy) provided by DISCOMS for its offices having LT connections, thereby reducing the consumption of fossil fuel based electricity. In the first phase, Green Tariff adoption is being implemented in Bank's premises located in states of Maharashtra, Odisha & Uttarakhand. As on 31.03.2026, Green power through Green Tariff Option of DISCOMs is being procured in 113 offices of Bank.
- K) Bank is exploring the option of procuring Open access solar power wherein the Power Purchase Agreement will be made directly with Power Generation Company, for its large offices having connected load of 100 KW & above, thereby reducing the consumption of fossil fuel based electricity.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A) *	5.46 MT	6.03 MT
E-waste (B)#	21.63 MT	1.1 MT
Bio-medical waste (C)	Not applicable	
Construction and demolition waste (D)	As per the Bank's general terms and conditions governing contract awards, the contractor bears sole responsibility for the management and disposal of construction and demolition waste, in strict compliance with extant municipal and local authority guidelines.	
Battery waste (E)	Batteries at the end of its lives are sold under the buy-back offer against procurement of new batteries. So, battery waste is not disposed/recycled by us directly and hence no quantification is available for same.	
Radioactive waste (F)	Not Applicable	
Other Hazardous waste. Please specify, if any. (G)	Not Applicable	
Other Non-hazardous waste generated (H)##		
Please specify, if any.	16.44 MT	17.61 MT
Break-up by composition i.e. by materials relevant to the sector)		
Total (A+B + C + D + E + F + G+ H)	43.53 MT	24.74 MT
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (INR lacs)	0.0000029	0.0000017
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP**)		
(Total waste generated / Revenue from operations adjusted for PPP) (INR lacs)	0.0000604	0.0000361

Parameter	FY 2025-26	FY 2024-25
Waste intensity in terms of physical output	-	-
Waste intensity (optional) per Full time employees	0.0004218	0.0002407
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	NA	
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Our waste generation is minimal and consequently there is no requirement of incineration or landfilling activities.	
(ii) Landfilling		
(iii) Other disposal operations		
Total		
	NA	NA

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? Yes, Reasonable Assurance has been carried out by Bank's Statutory Central Auditor -M/s Ummed Jain & Co. for BRSR Core for FY 2025-26, as per SEBI guidelines.

*Plastic waste generated in Bank is due to consumption of products like water bottles etc. The data for all the branches/offices pan India basis are not yet available, Bank is making effort to develop a system to quantify the same at pan India level. The plastic waste data given is for Bank's HO Dwarka Building.

** PPP conversion rate is used as published by the World Bank for India, for FY 2024-25: 20.2Rs/ USD (year 2023) & for FY 2025-26: 20.42 Rs/ USD (year 2024). Weblink: https://data.worldbank.org/indicator/PA.NUS.PPP?name_desc=false

E-wastes are being disposed off through registered e-waste vendors.

Other non-hazardous waste pertains to dry waste at HO, Dwarka building, which includes Card Board, Tissue paper, Paper waste etc.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Bank strives to reduce waste production and recycle as much as possible. Our waste primarily comprises food, waste, paper and e-waste.

- **Reduction of plastic waste:** We have reduced procurement of plastic document folders and are encouraging our employees to use glass bottles at our offices to gradually minimize the volume of discarded plastic bottles post usage. All our facilities use 100% biodegradable plastic garbage bags to collect and dispose of dry and wet waste.
- **Reducing paper and printing consumption:** We have implemented strong measures for digitising processes and reduce dependence on paper. Further, minimising the usage of paper across offices is an ongoing activity.
- **E waste management:** Our e-waste broadly includes computers, servers, scanners, UPSs etc. All such e-wastes are being disposed off through registered E-waste vendors.
- **Sewage Treatment:** Bank has installed STPs in its prominent buildings including HO, Dwarka building. This initiative has led to water efficiency and use of recycle water for internal use in gardening and Central AC plant.

11. If the entity has operations/offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

The Bank does not have branches/offices inside the ecologically sensitive areas. Accordingly, the same is not applicable to the Bank.

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non compliances, in the following format:

The Bank is complying with applicable statutory guidelines.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any	action
NA					

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: NA

(ii) Nature of operations: NA

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity(optional) - the relevant metric may be selected by the entity		

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	
- No treatment		
- With treatment - please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) - N

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Category 1- Purchased Goods and Services	Metric tonnes of CO2 equivalent MtCO2e	530.00	471.00#
Category 3: Fuel and Energy Related activities (not included in scope 1 and scope 2)		8,902.17	8,717.75
Category 5 - Waste generated in operations - (E waste & Paper Waste)		107.71	94.82
Category 6 - Business Travel		6,954.00	12,070.00
Category 7: Employee Commuting		90,134.00	80,084.00
Category 15- Investments (Financed Emissions)		6,60,45,993.00	6,38,39,069.00
Total Scope 3 emissions		6,61,52,620.88	6,39,40,506.32
Total Scope 3 emissions per rupee of turnover*		4.50	4.63
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) - N

The emissions due to Purchased Paper for FY 2024-25 have been recalculated on account of upgradation of version of "The Environmental Paper Network Paper Calculator" (version 4.1, available at c.environmentalpaper.org).

- **Scope 3 - Category 1 - Purchased Goods and Services:** This category includes greenhouse gas (GHG) emissions associated with the purchase of A4 paper for internal consumption. Emissions have been estimated based on the quantity of A4 paper purchased during FY 2025-26. The Environmental Paper Network's Paper Calculator (version 4.1, available at c.environmentalpaper.org) has been used to calculate the estimated emissions from paper purchases. A4 paper purchased for HO Divisions and 14 training centres of the Bank is considered for emission calculation.
- **Scope 3 - Category 3: Fuel-and energy-related emissions** are not included in Scope 1 or Scope 2: Fuel consumption in rented Diesel Generator Sets is used to estimate emissions. Spend data on fuel is used to arrive at the litres of fuel consumed. Emission factor for petrol and diesel has been sourced from India GHG Program, India Specific Road Transport Emission Factors: Version 1, 2015.
- **Scope 3 - Category 5: Waste generated in operations:** Quantity of Paper waste and E-waste is used to estimate emission. Emission factors have been taken from the USEPA website. Paper waste from HO Divisions and 14 training centres of the Bank is considered for emission calculation.
- **Scope 3 - Category 6 - Business Travel:** Greenhouse gas (GHG) emissions from business travel have been estimated based on data sourced from the Bank's internal travel database. Distance travelled (in kilometres) across multiple modes of transport—namely air, rail, bus, car, two-wheeler, and water transport—has been considered for the reporting period. Emission factors used for calculating travel-related emissions are as follows:
 - i. **Road and Rail Transport:** Emission factors are based on the India GHG Program - India Specific Road Transport Emission Factors Version 1.0 (2015) and India Specific Rail Transport Emission Factors for Passenger and Material Transport Version 1.0 (2015).
 - ii. **Air and Water Transport:** Emission factors have been sourced from the GHG Protocol - Emission Factors from Cross-Sector Tools (13 March 2024).
- **Scope 3 - Category 7: Employee Commuting:** This category includes greenhouse gas (GHG) emissions resulting from employees commuting to and from their designated work locations. Emission estimates are based on responses received through a primary pan-bank survey conducted to capture mode-wise commuting patterns and travel distances.

The following sources have been used for emission factors:

 - i. **Road and Rail Transport:** India Specific Road Transport Emission Factors Version 1.0 (2015) and India Specific Rail Transport Emission Factors for Passenger and Material Transport Version 1.0 (2015).
 - ii. **Metro Rail:** Emission factors have been sourced from The Energy and Resources Institute (TERI).
- **Scope 3 - Category 15: Financed Emission:** The Bank estimated its Scope 3 - Category 15 (Financed Emissions) using the Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting and Reporting Standard for the Financial

Industry, covering 87% of its net advances and investments portfolio. The Bank's portfolio has been aligned with PCAF-defined asset classes. Emission data from BRSR filings of investee and borrower companies has been used to calculate the Bank's financed emissions. Financed emissions for FY 2024-25 have been recalculated due to the following reasons:

- i. **Use of Updated Emission Data:** The Scope 1 and Scope 2 emission data, along with industry emission intensity (based on company-level Scope 1 and 2 emissions from BRSR disclosures), used in the financed emissions calculation for BRSR FY 2024-25 were derived from FY 2024 BRSR data, as FY 2025 data were unavailable at the time. For the BRSR FY 2025-26 disclosure of the Bank, financed emissions have been recalculated using updated FY 2025 Scope 1 and 2 emission data and revised industry emission intensities from FY 2025 BRSR filings.
- ii. **One-Year Data Lag:** A consistent one-year lag in emissions data persists. Accordingly, FY 2026 financed emissions are based on FY 2025 BRSR disclosure data.
- iii. **Financed emissions, calculated using the borrower's Scope 3 emissions disclosed in their BRSR, are as follows:** 71,30,424 MTCO2e for 2024-25, and 44,96,390 MTCO2e for 2025-26.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Bank deals in providing financial services and as such does not have direct impacts on biodiversity. However, prior to undertaking construction of new Bank buildings, all permissions / no-objection certificates from the relevant local statutory authorities are obtained viz. Environmental Assessment Authority, Forest Department, mining etc. to mitigate any adverse impact on bio-diversity.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Solar Power	Installed Capacity (Total 3382 kWp): • 1228 kWp solar power plants have already been installed at various bank buildings. • 1504 kWp of solar power project at various bank owned buildings on pan India basis were initiated in FY 2024-25 & completed in FY 2025-26. • 650 kWp of solar capacity installed in 182 branches in the last quarter of FY 2025-26. Under installation: • 583 kWp solar power plants are under implementation in new under-construction large building projects of Bank. • Augmentation of solar capacity (from 295 KW to 1403 KW) initiated at HO, Dwarka & Gurugram buildings of the Bank.	By implementation of this initiative, Bank has reduced its consumption of energy generated from fossil fuel generating plants thereby resulting in reduction of carbon footprint of Bank.
2	Green Building	HO Dwarka Building is Green Certified by GRIHA. Further, the Green building certification is in process for 5 buildings of the Bank viz. Gurugram HO building, Gurugram Data Centre building, Dehradun buildings, Residential quarters at Civil lines Delhi & Rohtak	By this initiative, bank has contributed to efficient use of energy, water and other resources.
3	Energy Saving Measures	The Bank has adopted energy saving measures like installation of BEE Star rated equipment, LED fixtures, Occupancy sensors LED glow sign boards and maintaining AC temperature at 24° C at all its offices.	By this initiative, the Bank has achieved energy saving and thereby resulted in reduction in carbon emission of the Bank.
4	Electrical audit	Bank conducts Electrical Audit in all its branches/offices once in every two years.	The regular electrical audit of branches/offices is done to take pro-active actions, to lessen chances of fire hazards from electrical installation, improvement in energy efficiency, and cost savings in electricity bills.
5	Sewage Treatment Plants (STP)	Bank has installed STPs at its major buildings including its HO at Dwarka.	The initiative has led to water efficiency and use of recycled water for internal use in gardening and Central AC plant
6	Rainwater harvesting system	Bank has installed Rainwater harvesting system at 8 of its buildings.	Through this initiative, Bank is contributing to the replenishment of groundwater reserves.

5. Does the entity have a business continuity and disaster management plan?

Bank has in place a Board approved Policy for Business Continuity Management and Operational Resilience which covers all the business operations of the Bank including IT, Non-IT and HR related activities. It outlines well defined governance structures to establish, oversee and implement an effective Business Continuity Plan (BCP) and Disaster Management Plan aligned to the regulatory guidelines. It incorporates emergency response plan, disaster recovery plan, pandemic response along with the provision of testing, training, backup, alternate site, recovery arrangements which together enable the Bank to respond and recover from disaster and ensure

ascertaining continuity of operations. The document is periodically reviewed and undergoes audit for its effectiveness.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

In alignment with regulatory mandates, the Bank will systematically assess the environmental impacts of its material value chain partners and take structured corrective and mitigation measures.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

In alignment with regulatory mandates, the Bank will systematically assess the environmental impacts of its material value chain partners and take structured corrective and mitigation measures.

8. How many Green Credits have been generated or procured:

- a. By the listed entity : NIL
- b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners” : Not applicable

PRINCIPLE 7 BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

1.a) Number of affiliations with trade and industry chambers/ associations.

Bank is having eight affiliations with trade and industry chambers/associations.

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations State/National)
1	Indian Banks' Association	National
2	International Chamber of Commerce (ICC)	International
3	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
4	Confederation of Indian Industry (CII)	National
5	Progress, Harmony and Development Chamber of Commerce and Industry (PHDCCI)	National
6	Federation of Indian Chamber of Commerce & Industry (FICCI)	National
7	Standing Council of Public Enterprises (SCOPE)	National
8	Partnership for Carbon Accounting Financials (PCAF)	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	NIL	

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
Not applicable					

Note:- Being one of the leading commercial banks in the country, the Bank actively collaborates with policymakers and industry associations in shaping policies relating to banking regulations, financial inclusion, monetary policy, and sustainable development of the banking sector.

PRINCIPLE 8 BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The Bank is committed to uplifting economically and socially, the disadvantaged communities while effectively addressing their grievances. For grievance redressal, customer and communities have following channels to voice their concerns and provide feedback:

- The Bank has an on-line Grievance Redressal Management Portal by the name Centralized Grievance Redressal Monitoring System (CGRMS), which is an

in-house Portal. On CGRMS, the customer gets an immediate acknowledgement and can track their complaints. Weblink of CGRMS - <https://www.pnb.bank.in/hi/Lodge-Complaint.html>

Other mechanisms to receive and redress grievances:

- Toll free customer care number of the Bank - 18001800 & 18002021
- Internet Banking Service / Mobile Banking app / Corporate Website.
- Email at care@pnb.bank.in

- MD & CEO / Chairman/ Ministry of Finance/RBI etc.
- Department of Public Grievance (CPGRAM)/INGRAM.
- Social Media such as Facebook, Twitter, LinkedIn and other social media platforms.
- Complaints in Person at Branch Offices.

The grievances received by the bank are resolved in a time bound manner.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2025-26	FY 2024-25
Directly sourced from producers MSMEs/ small producers	10.56% (₹296.50 crores)^	20% (₹252.73 crores)
Directly from within India	100% (₹2806.40 crores)*	100% (₹1267.03 crores)*

The MSE procurement are available only for the procurements done through GeM. Hence the above figures are for the procurements of the Bank through GeM only.

^ MSE procurement percentage has declined this year, primarily due to a single high-value contract of ₹1,409 crores awarded for ATM operation and management services for seven years to a non-MSE vendor. This contract significantly impacted the overall MSE share in procurement.

*The figure is inclusive of materials sourced from MSEs (i.e. total procurement through GeM).

5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2025-26	FY 2024-25
Rural	22.49 %	23.12%
Semi-urban	18.92 %	18.93%
Urban	35.27 %	34.86%
Metropolitan	23.32 %	23.10%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference:**

Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In INR)
1	Jharkhand	Bokaro	5,78,000
2	Bihar	Gaya	4,93,000
3	Uttarakhand	Haridwar	17,44,000
4	Bihar	Muzaffarpur	1,85,000
5	Bihar	Purnea	4,30,000
6	Jharkhand	Ranchi	5,90,000
7	Andhra Pradesh	Vizag	6,28,000

3.a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/ No)**

Yes. The Bank has a Board approved Procurement Policy which is broadly based on General Financial Rules circulated by the Department of Expenditure, Ministry of Finance. Further, the policy also includes guidelines issued by Ministry of MSME for Preferential Procurement through Micro and Small Enterprise (MSE's). Start-ups are also allowed certain relaxations to ensure their participation in tenders for Bank's procurements. Under the guidelines, certain targets are also fixed for procurement from MSE's of SC/ST Entrepreneur.

Also the Bank's Procurement Policy includes Purchase Preference Policy issued by Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry.

b) **From which marginalized /vulnerable groups do you procure?**

Micro and Small enterprises, Startups

c) **What percentage of total procurement (by value) does it constitute?**

The primary functions of the Bank include the acceptance of deposits and provision of credit. The proportion of inputs sourced through marginalized/ vulnerable group remains minimal in comparison to the Bank's overall business operations. Further, procurement preference is given to small/MSEs producers as per Govt. guidelines.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective Action Taken
Not Applicable		

6. **Details of beneficiaries of CSR Projects: during FY 2025-26**

The Bank undertakes CSR activities with its unwavering commitment to social welfare, ensuring that all sections of the society benefit equally, regardless of caste, creed, etc.

Additionally, the Bank in its CSR policy has provision to contribute to any such fund set-up by the Central Government or the State Governments for socio-economic development & relief, and welfare of the marginalized section of the society. Any proposal for contribution to the above mentioned funds are considered on priority. CSR activities undertaken during FY 2025-26 are as follows:

S. No.	CSR Projects	No. of person benefitted from CSR Projects*	% of beneficiaries from vulnerable and marginalized groups*
1	Approval under CSR to SLS Trust for necessary bookshelves and furniture at SLS Memorial Residential School located in Pahadpur, Badarpur, Distt Mayurbhanj, Odisha	300	75
2	Approval under CSR to SLS Trust for different CSR activities.	300	75
3	Approval under CSR to Narcotics Control Bureau for organizing Cyclothon against Drug Abuse and illicit trafficking raising awareness among citizens.	100000	55
4	Approval under CSR to Sri Sathya Sai Sanjeevani International Centre for Child Heart Care & Research for procuring various medical machines.	100000	45
5	Approval Under CSR to Disaster management fund Uttarakhand for relief measures in Uttarkashi for helping the state.	20000	35
6	CSR to 1 NGO & 2 Delhi Government school on the occasion of Independence Day	100	50
7	Approval under CSR to Tamil Nadu Seva Foundation, Chennai for distribution of Sewing Machine for Livelihood Support of 250 Underprivileged Women	250	70
8	Approval under CSR to Prerana Helpline Foundation (PHF), Chennai for distribution of Sewing Machine for Livelihood Support of 250 Underprivileged Women	250	70

S. No.	CSR Projects	No. of person benefitted from CSR Projects*	% of beneficiaries from vulnerable and marginalized groups*
9	Approval under CSR to Disaster Relief Fund to Himachal Pradesh as relief measures for the rehabilitation or reconstruction activities of the state.	25000	20
10	Approval under CSR to Punjab for Disaster Relief Fund for relief measures in the state for the rehabilitation or reconstruction activities	25000	20
11	Approval under CSR to Sachhi Saheli for Project Chetna 2.0 - Empowering Adolescents through Menstrual Health Awareness & Life Skills Education in Delhi Government Schools	1000	30
12	Approval under CSR for Renovation of Collectorate Auditorium in Siddharth Nagar, Uttar Pradesh	500	10
13	Approval under CSR to The New Learning Heights: Special School & Remedial Centre on the occasion of The International Day of Persons with Disabilities as school provide help to person suffering from various disorders	20	10
14	Approval under CSR to Ramakrishan Sarada Mission for nurturing economically weaker sections, providing them with early education, moral values, essential care in safe and nurturing environment	500	30
15	Approval under CSR to Vivekanand Polyclinic and Institute of Medical Sciences, Lucknow for purchase of medical equipment's showcasing bank commitment for society	100000	40
16	Approval under CSR to Ruchika Social Service Organization for granting a Hearse Van for respectable transportation of unclaimed deceased persons bodies to the funeral ground	50	10
17	CSR to 1 NGO and 2 Delhi Government schools on the occasion of republic day	100	10
18	CSR to SLS Trust for Infrastructure upgrade (table & chairs)	300	75
19	CSR for installation of steel Railings at Thakur shri Bankey BIHARI JI Maharaj Temple	500	25
20	Approval under CSR to Ramakrishan Sarada Mission for nurturing economically weaker sections, providing them with early education, moral values, essential care in safe and nurturing environment	100	10
21	CSR to Armed forces Flag Day Fund (AFFDF)	100	10
22	CSR to Yuva Unstoppable for PNB Rising Stars, a scholarship programme for the 100 students	100	15
23	CSR to PRC Mohali for the welfare of Defence Personnels.	1000	15
24	ISKCON for distribution of 130 happiness kits	130	25
25	Cancer awareness prevention (CAPED) for women's cervical & breast cancer screening project	10000	25
26	CSR TO Kalinga institute of social sciences for study of 100 students	100	80
27	CSR for financial assistance of 2 scholarship on the occasion of Golden Jubilee Celebration	2	0
28	CSR to IGNOU by giving battery operated golf cart	1000	15

*Estimated figures

PRINCIPLE 9 BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

- 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**
 - a. Comprehensive Customer Complaint Registration Framework:** Customers are provided with multiple touchpoints for registering grievances, the Bank's grievance management portal, Internet Banking, Mobile Banking, Contact Centre, toll free number, e-mail, official website, and all branches/offices across the country. Every grievance received is systematically recorded, acknowledged and allocated a unique tracking reference to facilitate monitoring and follow-up.
 - b. Integrated Complaint Management System:** The Bank operates a centralized complaint management system to ensure uniform handling and end-to-end monitoring of customer grievances. Complaints received from various channels are consolidated onto a unified platform, enabling categorization by complaint type, service area and severity for effective resolution and reporting.
 - c. Centralized Resolution and Expert Review:** Customer complaints warranting detailed examination are escalated to the designated teams at the Head Office comprising domain specialists. The centralized review framework enables consistent assessment, appropriate corrective actions, and closure after conducting necessary due diligence.
 - d. Timely Disposal of Complaints:** The Bank remains committed to resolving customer grievances within timelines prescribed under regulatory guidelines and internal service standards. Monitoring mechanisms are in place to ensure adherence to turnaround times and prompt communication with the complainants.

- e. Provision for Reconsideration of Complaints:** Customers who are still not satisfied with the resolution provided may request reconsideration or reopening of their complaints following the prescribed escalation matrix. Such grievances are reviewed afresh to ensure fair and transparent handling and final disposal.
- f. Root Cause Identification and Corrective Action:** The Bank undertakes regular root cause analysis of chronic complaints in consultation with relevant business and operational units. Based on the findings, corrective and preventive measures are implemented to minimize recurrence and improve service delivery standards.
- g. Complaint Monitoring, Reporting, and Transparency:** Periodic analysis of customer complaints is presented before senior management and the Board-level committees for guidance and oversight. In line with transparency practices, key complaint-related information is disclosed in the Bank's Annual Report and hosted on the Bank's website.
- h. Commitment to Customer-Centric Service Excellence:** The Bank continues to strengthen its grievance redressal architecture through technology-driven monitoring, structured escalation mechanisms, periodic reviews, and customer feedback analysis. These measures are aimed at ensuring fair, efficient and timely resolution of customer grievances while fostering continuous improvement in customer service standards.
- i. Customer Service Committees** in all the branches and Circle Offices investigate the quality of customer service rendered and critically examine the feedback/suggestions for improvement in customer service. These committees meet once a month where staffs and the customers are invited to interact freely on service-related issues.

- j. **Theme Based Meetings** are being conducted at monthly intervals in branches on a pre-decided date, workshops to improve awareness among field staff about the Bank’s products and services, and to prioritise among products and services are conducted from time to time.

k. For faster resolution of complaints, the Bank has designated Chief Customer Executive Officer (CCEO) not below the rank of Deputy General Manager at ZOs and Chief Manager at COs, whom a customer may approach for redressal of grievance. The contact details of CCEOs are displayed at Bank’s website.

l. Functionality of capturing Customer’s feedback through Branch QR code has been developed and implemented. This new functionality empowers customers to give impartial feedback on quality of services received at branches and tips for improvements.
- m. Bank onboarded external agency (M/S Datawise Services Pvt. Ltd) to increase the level of customer service in the branches through Incognito Visits.

n. Facility of Chat with Live Agent through Website, WhatsApp, MBS and IBS is provided to customers for further enhancing customer experience.

o. Toll free customer care number of the Bank is - 1800 1800 & 1800 2021 and the weblink is <https://www.pnb.bank.in/hi/Lodge-Complaint.html>

2. **Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of the year		Received during the year	Pending resolution at end of the year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services*	5,74,498	7,331	NIL	11,39,830	28,855	NIL
Restrictive trade practices	Not Applicable					
Unfair trade practices	Not Applicable					
Other	-	-	-	-	-	-

* The Category of the Grievances are not maintained at the Portal in the prescribed Format. However, the disclosure in terms of RBI guidelines is as under:

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the period	Number of complaints received during the period	% Increase/ decrease in the number of complaints received over the Previous year	Number of complaints pending at the end of the period	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
FY 2025-26 (Current Period)					
ATM/Debit Cards	1,806	2,11,282	-44.92	1,288	49
Internet/Mobile/Electronic Banking	3,386	1,67,970	-58.44	1,147	113
Account opening/ difficulty in operation of accounts	254	16,981	-27.41	29	1
Loans and advances	364	9,009	-16.07	61	3
Levy of charges without prior notice/ excessive charges/ foreclosure charges	148	5,515	-22.72	12	0
Others	22,897	1,63,741	-47.32	4,794	1,282
Total	28,855	5,74,498	-49.60	7,331	1,448
FY 2024-25 (Previous Period)					
Internet/Mobile/Electronic Banking	12,262	4,04,168	-17.46	3,386	589
ATM/Debit Cards	5,054	3,83,578	21.04	1,806	195
Account opening/ difficulty in operation of accounts	458	23,394	8.40	254	21
Loans and advances	332	10,734	24.90	364	50
Pension and facilities for senior citizens/ differently abled	225	7,444	-48.77	107	4
Others	14,020	3,10,512	11.32	22,938	8,175
Total	32,351	11,39,830	0.85	28,855	9,034

4. Details of instances of product recalls on account of safety issues:

	No.	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Bank has a Board approved "Group Cyber Security Policy", framed according to the stipulated RBI guidelines, the Information Technology Act and International Standards. It consists of concise and practical series of statements, declaring management's views and position regarding Cyber Security, according to Bank's specific requirements.

The web link for customers to protect themselves from cyber frauds and threats is <https://www.pnb.bank.in/advisories.html>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/ services.

In FY 2025-26, no cyber incident has arisen in the Bank. Further, the Bank has been carrying out awareness activities on cyber security for customers as detailed below: -

- i. Published informative advertisements in two newspapers (in Hindi and English) during NCSAM 2025 for creating cybersecurity awareness among customers of Banks and financial institutions.
- ii. A message from the desk of MD&CEO was sent to all the mail ids in PNB Domain and to all customers' mail ids in Bank's records heralding NCSAM and underlining the importance of adopting cyber security best practices to mitigate frauds.

- iii. Radio Jingles/messages have been broadcasted on Radio channels for creating cyber security practices among customers.
- iv. Publishing cybersecurity awareness contents all Bank's social media channels on regular basis.
- v. The Bank has displayed several cybersecurity related standees, posters, banners and pamphlets at different offices across geographies.
- vi. Regular Mails are sent to all staff members, for enhancing staff awareness on evolving frauds and latest Cyber Security policies of the Bank.
- vii. Weekly podcast series on Cyber Security Awareness is made available to all employees via PNB Knowledge Centre.
- viii. Digital Cyber Security Quizzes for staffs on Bank's intranet.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - NIL
- b. Percentage of data breaches involving personally identifiable information of customers - NIL
- c. Impact, if any, of the data breaches - NIL

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The channels are the Bank's Corporate Website(www.pnb.bank.in), Internet Banking Service, Mobile Banking Service & Contact Centers.

Product & Services information is available on the Bank's website (www.pnb.bank.in)

In addition to this, Bank actively utilises various local interfaces like print media, social media other digital platforms to interact and educate customers on the Bank's products and services. Brief details of various social media/ digital platforms are as below:

- Mobile Application - "PNB ONE"
- Facebook: [facebook@pnbindia](https://facebook.com/pnbindia)
- Instagram: [instagram@pnbindia](https://instagram.com/pnbindia)
- X (Twitter) handle: @pnbindia
- WhatsApp: +91 9264092640
- Call Centre: 1800 1800, 1800 2021

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The information regarding Safe Usage of Bank's various products and services are disseminated to the Customer through multiple channels, Corporate Website (www.pnb.bank.in), SMS, Internet Banking Services, Mobile Banking Services, Contact Centres, Social Media etc.

The Bank has 163 Financial Literacy Centres (FLCs) conducting numerous seminars/programmes/camps on Financial Education, Preventive Counselling and Customer Rights. The Target group of the programmes conducted by FLCs are Farmers, Self Help Groups, Micro and Small Entrepreneurs, senior citizens etc.

Periodical communications are sent to active customers to educate them on dealing with spurious and false calls demanding submission of KYC etc. Spurious call disclaimer forms part of our customer communications. We promote in-house digital platforms for providing customer services. Alerts are conveyed on social media.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Dissemination of information regarding outages are done on regular basis by the Bank and customers are informed about disruption/discontinuation in service, if any, through SMS, website notice, branch Notice Board etc.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Bank ensures transparency and accessibility of information relating to its products and services through disclosures on its official website and comprehensive notice boards displayed across branches for the benefit of customers and the general public.

Further, the Bank regularly conducts customer satisfaction surveys to obtain customer feedback and enhance the quality, efficiency, and effectiveness of its products and services across the organization.

The customer satisfaction surveys have been conducted in the following areas: -

- Ease of access to banking products and services through various channels, including branches, ATMs, internet banking, and mobile banking applications.
- Customer feedback on the efficiency and effectiveness of products and services offered by the Bank.
- Overall customer satisfaction levels and suggestions for improvement in products, services, and delivery channels.

ABBREVIATIONS

AI	Artificial Intelligence	HFC	Hydrofluorocarbons
ATM	Automatic Teller Machine	HO	Head Office
BEE	Bureau of Energy Efficiency	HRD	Human Resource Department
BFSI	Banking, Financial Services, and Insurance	HRMS	Human Resource Management System
BIS	Bureau of Indian Standards	HVAC	Heating, Ventilation, and Air Conditioning
BoD	Board of Directors	IBA	India Banking Association
BPL	Below Poverty Line	ICC	Internal Complaints Committee
BRSR	Business Responsibility and Sustainability Reporting	IEPF	Investor Education and Protection Fund
CAPEX	Capital Expenditure	IGNOU	Indira Gandhi National Open University
CFO	Chief Financial Officer	INGRAM	Integrated Grievance Redressal and Monitoring System
CGRMS	Central Grievance Redressal Management System	ISO	International Organization for Standardization
CIMS ME	Chamber of Indian Micro Small and Medium Enterprise	KMP	Key Managerial Personnel
CIN	Corporate Identification Number	kWp	Kilowatt Peak
CIR	Credit Information Report	KYC	Know Your Customer
CISD	Cyber Information Security Division	LCA	Life Cycle Assessment
CO2	Carbon dioxide	LTIFR	Lost Time Injury Frequency Rate
CPCB	Centre Pollution Control Board	MCA	Ministry of Corporate Affairs
CPGRAM	Centralized Public Grievance Redress and Monitoring System	MORD	Ministry of Rural Development
CRM	Customer Relationship Management	MSE	Micro, Small Enterprises
CS	Company Secretary	MSME	Micro, Small and Medium Enterprises
CSR	Corporate Social Responsibility	MT	Metric Tonne
CVC	Central Vigilance Commission	NBFC	Non-Banking Financial Company
DA	Dearness Allowance	NCSAM	National Cyber Security Awareness Month
DFS	Department of Financial Services	NGRBC	National Guideline for Responsible Business Conduct
DG	Diesel Generator	NPS	New Pension Scheme
DIN	Director Identification Number	OHSAS	Occupational Health and Safety Assessment Series
DISCOM	Distribution Company	PCIDSS	Payment Card Industry Data Security Standard
DPDP	Digital Personal Data Protection Act	PF	Provident Fund
DPI	Digital Public Infrastructure	PFC	Perfluorocarbons
ECL	Expected Credit Loss	POSH	Prevention of Sexual Harassment
EIA	Environment Impact Assessment	PPP	Purchasing Power Parity
EPR	Extended Producer Responsibility	PwBD	Persons with Benchmark Disabilities
ESG	Environmental, Social and Governance	QR	Quick Response
ESI	Employee State Insurance	RBI	Reserve Bank of India
EV	Electric Vehicle	R & D	Research and Development
EWS	Economically Weaker Section	RPT	Related Party Transactions
FI	Financial Institutions	RSETI	Rural Self Employment Training Institutes
FIBAC	Financial Institution Benchmarking and Calibration	SARC	Sustainability and Resilience Committee
FLCs	Financial Literacy Centres	SEBI	Security & Exchange Board of India
GCISO	Group Chief Information Security Officer	SHG	Self Help Group
GeM	Government e-Marketplace	SLS	Special Liquidity Schemes
GHG	Green House Gases	SPCB	State Pollution Control Board
GJ	Giga Joule	STC	Staff Training Centre
GRIHA	Green Rating for Integrated Habitat Assessment	STP	Sewage Treatment Plant
GWP	Global Warming Potential	USEPA	United State Environmental Protection Agency
		UT	Union Territory



INDEPENDENT PRACTITIONERS’ REASONABLE
ASSURANCE REPORT

To the Board of Directors of Punjab National Bank,

Reasonable Assurance Report on the sustainability disclosures in the Business Responsibility and Sustainability Reporting (BRSR) Framework [together called ‘Identified Sustainability Information’ (ISI)] of Punjab National Bank (the ‘Bank’) for the period from 1st April 2025 to 31st March 2026 in accordance with the reporting criteria.

Opinion

We have undertaken to perform a Reasonable Assurance engagement for Punjab National Bank vide agreement dated 15th April 2026 in respect of the agreed Bank’s sustainability disclosures listed below (the ‘Identified Sustainability Information’) pertaining to BRSR Core (Annexure 17A) as notified by SEBI vide circulars dated 30th January 2026 and 28th March 2025. This Sustainability Information is included in BRSR of the bank for the period from 1st April 2025 to 31st March 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners, environmental and social professionals.

Identified Sustainability Information (ISI) subject to assurance	Period subject to assurance	Reporting criteria
BRSR Core (Annexure 17A) notified by SEBI Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, and SEBI/HO/CFD-PoD-1/CIR/2025/42 dated March 28, 2025 (Refer to Annexure A)	From 1st April 2025 to 31st March 2026	- Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended. - Guidance notes for BRSR format issued by SEBI. - Industry Standards on Reporting of BRSR Core vide SEBI circular no. SEBI/HO/CFD-PoD-1/D/CIR/2024/177 dated 20th December 2024. - World Resource Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standards - Standard on Sustainability Assurance Engagement (SSAE) 3000, “Assurance Engagements on Sustainability Information”, issued by the Sustainability Reporting Standards Board of Institute of Chartered Accountants of India. - Industry Standards issued by the Industry Standards Forum (ISF), comprising ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges and in consultation with SEBI, for BRSR Core disclosures.

Our Reasonable Assurance engagement was with respect to the year ended March 31st 2026, information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

Management’s Responsibility for the Identified Sustainability Information

The Bank’s Management is responsible for selecting or establishing suitable criteria for

preparing the Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation, and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation, and maintenance of internal control relevant to the preparation of the BRSR and measurement of the Identified Sustainability Information, which is free from

material misstatement, whether due to fraud or error.

Inherent limitations

The preparation of the BRSR information of the bank requires the management to establish or interpret the criteria, make determinations about the relevancy of information to be included, and make estimates and assumptions that affect the reported information.

Measurement of certain amounts and BRSR metrics, some of which are estimates, is subject to substantial inherent measurement uncertainty, for example GHG emissions, water footprint, energy footprint. Obtaining sufficient appropriate evidence to support our opinion/ conclusion does not reduce the uncertainty in the amount and metrics.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (SQC) 1, “Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements”, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibilities for the Identified Sustainability Information (ISI)

Our responsibility is to express a reasonable assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.

Our engagement was conducted in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, “Assurance

Engagements on Sustainability Information,” issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires us to plan and perform the engagement to obtain either reasonable or limited assurance, depending on the level of assurance agreed upon.

A Reasonable Assurance engagement involves obtaining sufficient and appropriate evidence through procedures such as inquiries, inspection, observation, and re-performance. It includes an assessment of the risks of material misstatement in the Identified Sustainability Information, whether due to fraud or error, and responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

1. Interviewed relevant personnel of Bank's management responsible for Sustainability, Environmental Social Governance (ESG) and the bank's consultant and their team for understanding the process of collecting, collating, and reporting the subject matter as per Global Reporting Initiative (GRI) Standards and SEBI circular for BRSR core.
2. Checked the consolidation for various branches, offices, and other locations (excluding international operations) to ensure the completeness of data being reported.
3. Relied on the total income from the published audited financial statements for turnover based intensity indicators.
4. Performed substantive testing on a sample basis of the Identified Sustainability Indicators at sample branches, offices and

other locations covered, to verify that data had been appropriately measured with the underlying documents recorded, collated, and reported. This included assessing records and performing testing including recalculation of sample data.

5. Assessed the appropriateness of basis used for selecting sample branches for extrapolation.
6. Assessed the appropriateness of calculations used for extrapolation of data for sample branches to arrive at estimated annual data.
7. Assessed the appropriateness of various assumptions, estimations and materiality thresholds used by the bank and its consultant for data analysis.
8. Performed analytical procedures to analyze trends in the historical data and accordingly ascertain the reasonableness of the data reported in the current year.

Exclusions:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the Bank other than those mentioned in the "Scope of Assurance".
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e. 1st April 2025 to 31st March 2026.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Bank.
- Strategy and other related linkages expressed in the Report
- Mapping of the Report with reporting frameworks other than those mentioned specifically
- We did not undertake source data verification in-person at any operated facilities

Reasonable Assurance Opinion

In our opinion, Identified Sustainability Information in the Business Responsibility and Sustainability Reporting for the period 1st April, 2025 to 31st March, 2026, subject to reasonable assurance is prepared, in all material respects, in accordance with the Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) and World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standards)(Revised).

Restriction on use

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of Punjab National Bank at the request of the Bank solely, to assist Bank in reporting on Bank's sustainability performance and activities. Accordingly, we accept no liability to anyone other than the Bank. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For UMMED JAIN & CO.
Chartered Accountants
FRN No. 119250W

CA. AKHIL JAIN
Partner
M. No. 137970
UDIN: 26137970BHSSNE9808

Date: 22nd May 2026
Place: New Delhi

ANNEXURE A- BRSR CORE ATTRIBUTES	
BRSR Core Indicator	Type of Assurance
Principle 1: Businesses should conduct and govern themselves with Integrity and in a manner that is Ethical, Transparent and Accountable	
Attribute 9: Open-ness of Business	
Question 8: Number of days of Accounts Payable ((Accounts payable *365)/Cost of goods/services procured)	Reasonable
Question 9: Details of concentration of purchases and sales with trading houses, dealers, and related parties along with advances & investments, with related parties:	
Concentration of Purchases	
Concentration of Sales	
Shares of RPTs in	
a. Purchases (Purchases with related parties/Total Purchases)	
b. Sales (Sales to related parties/Total Sales)	
c. Loans &Advances (Loans &Advances given to Related Parties/ Total loans & Advances)	
d. Investments (Investments in Related Parties/ Total Investments Made)	
Principle 3: Businesses should respect and promote the Well -being of all Employees, including those in their value chains	
Attribute 5: Enhancing employee Well-being and Safety	
Question 1 (c): Spending on measures towards Well-being of employees and workers (including permanent and other than permanent):	Reasonable
Cost incurred on wellbeing measures as a %age of total revenue of the company	
Question 11: Details of Safety related incidents for employees and workers:	
Lost time injury frequency rate (LTIFR) (per one million -person hours worked)	
Total recordable work -related injuries	
No. of Fatalities	
High consequence work - related injury or ill -health (excluding fatalities)	
Principle 5: Businesses should respect and promote Human Rights	
Attributes 6: Enabling Gender Diversity in business	
Question 3 (b): Gross wages paid to females as % of total wages paid by the entity:	Reasonable
Question 7: Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	
Total Complaints reported under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	
Complaints on POSH as a % of female employees/workers	
Complaints on POSH upheld	

ANNEXURE A- BRSR CORE ATTRIBUTES	
BRSR Core Indicator	Type of Assurance
Principle 6: Businesses should respect and make efforts to protect and restore the environment.	
Attribute 1: Green-House Gas (GHG) footprint	
Question 7: Details of Greenhouse Gas Emissions (Scope 1 and Scope 2 emissions) & its intensity:	Reasonable
Total Scope 1 Emissions	
Total Scope 2 Emissions	
Total Scope 1 and Scope 2 Emission Intensity per rupee crore of turnover	
Total Scope 1 and Scope 2 Emission Intensity per rupee crore of turnover adjusted for Purchasing Power Parity	
Total Scope 1 and Scope 2 Emission Intensity in terms of physical output/any other relevant metric	
Attribute 2: Water Footprint	
Question 3: Details of the following disclosures related to water:	Reasonable
Water withdrawal by source (in kilolitres)	
Total volume of water withdrawal (in kilolitres)	
Total volume of water consumption (in kilolitres)	
Water intensity per rupee crore of turnover (Total water consumption/Revenue from operations)	
Water intensity per rupee crore of turnover adjusted for Purchasing Power Parity (PPP)	
Water intensity in terms of physical output/any other relevant metric	
Question 4: Details related to water discharged:	
Water discharge by destination and level of treatment (in kilolitres)	
Total water discharged (in kilolitres)	
Attribute 3: Energy Footprint	
Question 1: Details of total Energy Consumption (in joules or multiples) and energy intensity:	Reasonable
Total Energy consumed from Renewable sources	
Total Energy consumed from Non-renewable sources	
Energy Intensity per rupee crore of turnover (Total energy consume/revenue from operation)	
Energy Intensity per rupee crore of turnover adjusted for Purchasing Power Parity (PPP)	
Energy Intensity in terms of physical output/ any other relevant metric	

ANNEXURE A- BRSR CORE ATTRIBUTES	
BRSR Core Indicator	Type of Assurance
Attribute 4: Embracing circularity -Details related to waste management by the entity	
Question 9: Provide details related to waste management by the entity:	Reasonable
Total waste generated (in metric tonnes)	
Waste intensity per rupee crore of turnover (total waste generated/revenue from operations)	
Waste intensity per rupee crore of turnover adjusted for Purchasing Power Parity (PPP)	
Waste intensity in terms of Physical output /any other relevant metric	
For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations (in metric tonnes)	
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)	
Principle 8: Business should promote inclusive growth and Equitable Development	
Attribute 7: Enabling Inclusive Development	
Question 4: Percentage of input material (Inputs to total inputs by value) sourced from suppliers:	Reasonable
a. Directly sourced from MSMEs/small producers.	
b: Directly from within India	
Question 5: Job creation in smaller towns- Disclose wages paid to persons employed (including employees of workers employed on a permanent or non- permanent/ on contract basis) in smaller towns, as % of total wage cost	
Principle 9: Businesses should engage with and provide value to their Consumers in a Responsible manner	
Attribute 8: Fairness in Engaging with Customers and Suppliers	
Question 7: Provide the following information relating to data breaches:	Reasonable
a. Number of instances of data breaches	
b. Percentage of data breaches involving personally identifiable information of customers	
c. Impact, if any, of the data breaches	

Collaborating
to build a
Viksit Bharat

CORPORATE SOCIAL RESPONSIBILITY REPORT





MD & CEO Message CSR Annual Report FY 2025-26

वसुधैव कुटुम्बकम्
(THE WORLD IS ONE FAMILY)

I am deeply honored to present the Corporate Social Responsibility (CSR) Report of Punjab National Bank (PNB) for the financial year 2025-26. This report reflects our continued commitment to inclusive growth, community development, and sustainable practices, while reinforcing our role as a catalyst for positive social change.

At PNB, CSR is deeply embedded in our institutional ethos. We view it as a strategic commitment to operate in an economically, socially, and environmentally responsible manner by balancing the expectations of our stakeholders while contributing to the overall well-being of society. Our initiatives are designed to create long-term, sustainable value for communities, aligned with national development priorities and focused on delivering measurable, inclusive outcomes.

During FY 2025-26, our CSR initiatives were guided by a focused and structured approach, addressing key areas such as healthcare, education, skill development, environmental sustainability, rural empowerment, and social

welfare. Leveraging our extensive pan-India presence, we ensured that our interventions reached diverse geographies, particularly underserved and remote regions.

Building Brighter Future with Education & Training

Education and skill development remain the cornerstone of our CSR strategy. We firmly believe that empowering individuals with knowledge and skills is essential for driving sustainable socio-economic progress.

Through our Farmers' Training Centres (FTCs) and Rural Self Employment Training Institutes (RSETIs), we trained over 1.79 lakh individuals during the year. These programs covered a wide spectrum of activities, including agriculture and allied practices, entrepreneurship development, vocational trades, and digital literacy. A significant proportion of beneficiaries comprised women and individuals from economically weaker sections, reinforcing our focus on inclusivity.

Additionally, our Financial Literacy Centres



(FLCs) have conducted over 10,000 programs, reaching more than 4 lakh individuals, including farmers, self-help groups, senior citizens, and small entrepreneurs. These initiatives aim to promote financial awareness, responsible banking practices, and economic empowerment.

We also continued to support meritorious students through initiatives such as PNB Rising Stars, providing them with sustained educational assistance to help pursue their academic aspirations and build brighter futures.

Strengthening Healthcare and Social Well-being

Healthcare continues to be a key pillar of our CSR efforts. Recognising that a healthy population is fundamental to national development, PNB remains committed to enhancing healthcare accessibility and promoting community well-being.

During the year, we supported a range of impactful healthcare initiatives, including the provision of ambulances, distribution of

medical equipment, and rehabilitation support for individuals with disabilities. We partnered with credible organisations to implement programs in critical areas such as cancer screening, menstrual health awareness, and adolescent health education.

Special emphasis was placed on reaching women and marginalised communities, ensuring that essential healthcare services are accessible to those who need them the most. Through community health outreach and targeted interventions, we continue to contribute towards building a healthier, more inclusive, and resilient society.

Community Resilience, Relief & Inclusive Outreach

PNB remained steadfast in its commitment to supporting communities during times of calamity and contributing to broader social welfare initiatives.

During FY 2025-26, we extended financial assistance towards disaster relief efforts in Uttarakhand and Himachal Pradesh, supporting the immediate rehabilitation and recovery of affected families. Our contribution to the Armed Forces Flag Day Fund further reflects our deep respect and commitment towards the welfare of ex-servicemen, war widows, and their dependents.

We also support community and religious institutions by providing infrastructure essentials that enhance public convenience and accessibility, particularly for pilgrims and local communities. These initiatives echo our belief in standing alongside society not only during crises, but also in strengthening everyday social infrastructure, thereby fostering greater inclusion, cohesion, and resilience.

Promoting Environmental Sustainability

Environmental responsibility continues to be an integral part of our CSR agenda.

During the year, we undertook several initiatives aimed at promoting ecological balance and environmental awareness. These included tree plantation drives across multiple regions, awareness campaigns on rainwater harvesting, and encouragement of sustainable practices in infrastructure development. Through these efforts, we aim to instill a sense of environmental responsibility among communities and contribute towards a greener, more sustainable future.

Encouraging Sports and National Pride

PNB takes pride in its longstanding association with sports, particularly hockey, which holds a special place in India’s sporting heritage.

The PNB Junior Hockey Academy was established on 18 April 2002. It stands as a significant initiative aimed at nurturing young talent and promoting excellence in hockey. Driven by a clear vision to advance and elevate the sport, the academy was revamped and

inaugurated on 6 January 2026, marking a significant milestone in our sporting journey.

Our senior hockey team delivered commendable performances during the year, including winning the Padma Shri Mohd. Shahid Hockey Tournament. We are deeply proud of our players who represented India at the international platforms, including the Olympics, bringing recognition and honour to the nation. Two of our players, Shri Sukhjeet Singh and Shri Abhishek, both Olympians, are part of the Indian Senior Men’s Hockey Team. They won the gold medal in the Men’s Hockey Asia Cup 2025. Shri Abhishek was awarded Player of the Tournament at the 2025 Asia Cup, while Shri Sukhjeet Singh received the Hockey India Dhanraj Pillay Award of the Year 2025 by Hockey India.



Through continued investment in training, infrastructure, and athlete support, we remain committed to nurturing talent and promoting excellence in sports.

Fostering a Culture of Volunteering and Social Responsibility

One of the defining strengths of PNB’s CSR efforts lies in the active participation of our employees. Across regions, our staff members have consistently contributed to community welfare initiatives, demonstrating a strong culture of empathy and social responsibility.

PNB Perna, too, has played a pivotal role in amplifying these efforts, particularly in areas such as women’s empowerment, health awareness, and educational support. Their continued engagement highlights the human dimension of our CSR initiatives and reinforces our commitment to giving back to society.

Collective Path to Sustainability

As we reflect on our journey during FY 2025-26, we remain committed to strengthening our role as a responsible corporate citizen. Our CSR initiatives are guided by a clear vision: to create inclusive, sustainable, and long-lasting impact across communities.

We are deeply grateful to our stakeholders, partners, and employees for their unwavering support and collaboration. Together, we will continue to work towards building a more equitable, resilient, and sustainable future for all.

(Ashok Chandra)
Managing Director & CEO



**PNB CSR REPORT
2025-26**

**1. PUNJAB NATIONAL BANK'S
CORPORATE SOCIAL RESPONSIBILITY
APPROACH**

Punjab National Bank Views Corporate Social Responsibility(CSR) as a commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders such as investors, customers, employees, business partners, local communities, the environment and society at large and contribute to the quality of life of society. At the heart of this strategy is our bank's unwavering commitment to build vibrant communities. This commitment comes to life through our investment in institutions and programmes to support and enhance community development in a sustainable manner. During F.Y. 2025-26, focus on Bank's CSR activities was towards improving Health, Education, Natural Calamity, Skill Empowerment programmes to the public and social welfare activities on Pan India basis through its field offices.

**2. THE BANK MAKES THE FOLLOWING
COMMITMENTS AS PART OF ITS CSR
STRATEGY:**

2.1 Sustainability

PNB intends to be a catalyst for change that benefits present and future generations. Sustainability is an integral part of PNB's activities in our core business and beyond. Thus, we believe in being responsible to all our stakeholders, society and the environment.



Contribution to Armed forces Flag Day Fund (AFFDF) for benefitting Indian Ex-Servicemen (ESM), war widows and their dependents



Punjab National Bank donated an air-conditioned bus to the Shiromani Gurdwara Prabandhak Committee (SGPC) for the convenience of pilgrims visiting the revered Golden Temple.



CSR support to Yuva Unstoppable to provide scholarships to 100 students under the PNB Rising Stars initiative for a brighter future.



CSR for Installation of Steel Railings at Thakur Shri Bankey Bihari Ji Maharaj Temple, Vrindavan.



2.2 Corporate Volunteering

“Giving back to the society” is the prime motive behind our CSR activities. The message that we give to our staff regarding CSR is that whatever we do today will have an impact on future generations. Thus, we undertake CSR activities with active participation of staff members and participation of local populace.



Punjab National Bank contributed ₹1 crores towards relief efforts in the disaster-affected areas of Dharali and Harsil in Uttarkashi district, Uttarakhand.

2.3 Social Investments

Being a socially responsible organization, we contribute to society through Farmers Training Centers & Rural Self Employment & Training Institutes, Financial Literacy Centres, Centres for Financial Centres, PNB Prerna and other initiatives. We help the underprivileged communities to overcome unemployment and poverty and shape their own future through education and skill development programmes. All these initiatives are considered as social investment.

a. **Farmers Training Centres (FTCs):** The Bank has established 12 Farmers Training Centres. FTCs provide training on agriculture & allied activities which include organic farming, fertilizer management, bee keeping,

dairy farming, mushroom production, maintenance of tractor and other farm machineries, processing and preservation of fruits and vegetables, computer courses, beauty parlour, candle and soap making, papad making, making of soft toys, cutting, tailoring & embroidery, etc. These Training Centres have been equipped with the Mobile Van and LED for audio visual display of informative video clips to the farmers. During the FY 2025-26 - Total 1,10,061 persons were trained in these centres. Out of which 52,439 were women. Since inception, FTCs have imparted training to 20,42,240 persons out of which 5,08,710 were women. The Bank spent Rs. 1294.71 Lakh under this during FY 2025-26.



Empowering farmers through knowledge sharing, skill development and sustainable agricultural practices.

b. **Rural Self Employment Training Institutes (RSETIs):** There are 78 RSETIs under aegis of Ministry of Rural Development (MoRD) and 2 Rural Development Centres (PNB initiatives) operating in India which are engaged in providing training to rural population and their families for skill upgradation to undertake self-employment ventures/jobs. During the FY 2025-26, 69,066 persons were trained in these centres out of which 57,026 belong to Below Poverty Line (BPL) families and 56,769 were women. Total number of trained candidates since inception is 7,51,746 out of which 5,23,350 were from

BPL families and 4,66,580 were women. Our RSETIs are focusing for settlement of participants by ensuring adequate

credit for inclusive growth. Total settled candidates are 5,27,399 since inception. The Bank spent Rs.6,175.36 Lakh under this during FY 2025-26.



RSETI Skill Development Initiative - Beneficiaries undergoing vocational and entrepreneurship training under various RSETI programmes, empowering individuals with skills and knowledge for self-employment and sustainable livelihood opportunities.

c. **Financial Literacy Centres:** The Bank has 168 Financial Literacy Centers (FLCs). The Target groups of the programmes conducted by FLCs are Farmers, Self Help Groups, Micro and Small Entrepreneurs, Senior Citizens etc. Total number of

seminars/programmes/camps conducted by FLCs on Financial Education, Preventive Counselling and Customer Rights from 1st April, 2025 to 1st March, 2026 is 10,810 and number of persons attended these programs are 4,17,254.



Empowering communities through financial awareness, digital literacy and responsible banking practices

2.4 Health

We strongly endorse the view that healthy mind and body in a healthy environment is essential for overall growth of the nation. Thus, we invest in areas that facilitate such enhancements. During FY 2025-26, the Bank has undertaken CSR activities in health sector for well-being of general public.

During FY 2025-26, Bank successfully carried out welfare activities in healthcare sector viz. Hearse van to Ruchika Social Services and other activities to support healthcare services for the needy sections of the society.



Punjab National Bank organized PAN-India Blood Donation Camp as part of Vigilance Awareness Week 2025 being observed from 27th October to 02nd November, 2025 on the theme "Vigilance: Our Shared Responsibility." The initiative at Head Office, Dwarka, New Delhi was graced by Sh. Ashok Chandra, MD & CEO, Sh. D. Surendran, Executive Director, and Sh. Raghvendra Kumar, Chief Vigilance Officer, which witnessed enthusiastic participation from employees who came forward to contribute to this noble cause. Reinforcing the spirit of serving the society with humanity & compassion, these camps reflect PNB's commitment towards being a vigilant & socially responsible organization



Distribution of wheelchairs and medical equipment at Gorakhnath Hospital, Gorakhpur, U.P.



Cyclothon Drug Free India organised by NCB in Mumbai City Circle - Mumbai Zone

CSR to Sachhi Saheli for Project Chetna 2.0 - Empowering Adolescents through Menstrual Health Awareness & Life Skills Education in Delhi Government Schools



CSR for Rehabilitation Support and Welfare Activities at Paraplegic Rehabilitation Centre (PRC), Mohali

2.5 Green Initiatives

Punjab National Bank remains dedicated to environmental sustainability through its nationwide Tree Plantation Drives, a core pillar of its CSR strategy aimed at enhancing green cover and combating climate change. By focusing on the

plantation of indigenous saplings in rural and semi-urban areas, the bank not only contributes to carbon sequestration but also supports local ecosystems and community livelihoods.



Plantation Drive - Sh. Ashok Chandra, MD & CEO

2.6 Education

The Bank continuously strives for carrying its CSR activities towards promotion of education

in society and thus helping in preparing a better tomorrow for the young generation.



CSR support to Kalinga Institute of Social Sciences (KISS), Bhubaneswar, to fund the education of 100 underprivileged tribal students studying there to nurture the country's future.



Sports kits were distributed at School in Gorakhpur, U.P. under CSR



Sports kits, carry bags and food packets were distributed at Rajhi Primary School, U.P



CSR event in UP, where in Bank distributed school bags and water bottle to underprivileged students.



CSR activity at Vijayawada school by donating 2 tables and 22 wall mount fans for benefitting school children by providing necessary infrastructural support.

2.7 Promotion of Sports:

PNB remains steadfast in its commitment to promoting India's national sport, Hockey. By fostering a culture of excellence and providing world-class infrastructure, the Bank continues to contribute significantly to the nation's sporting landscape through its Senior Team and Junior Academy.

1. PNB Senior Hockey Team

Since its inception in **April 2004**, the PNB Senior Hockey Team has emerged as a powerhouse in domestic and international circuits. Currently, the squad comprises **25 elite players**, all of whom are dedicated employees of the Bank.

- **International Representation:** The team boasts **9 international players** who have represented India at various levels.
- **Elite Achievers:** Two of our standout athletes, **Sh. Sukhjeet Singh (Olympian)** and **Sh. Abhishek (Olympian)**, continue to represent the Indian Senior Men's National Team. They were instrumental in clinching the **Gold Medal** at the **Men's Hockey Asia Cup 2025** held in Rajgir, Bihar.

Individual Honors (2025):

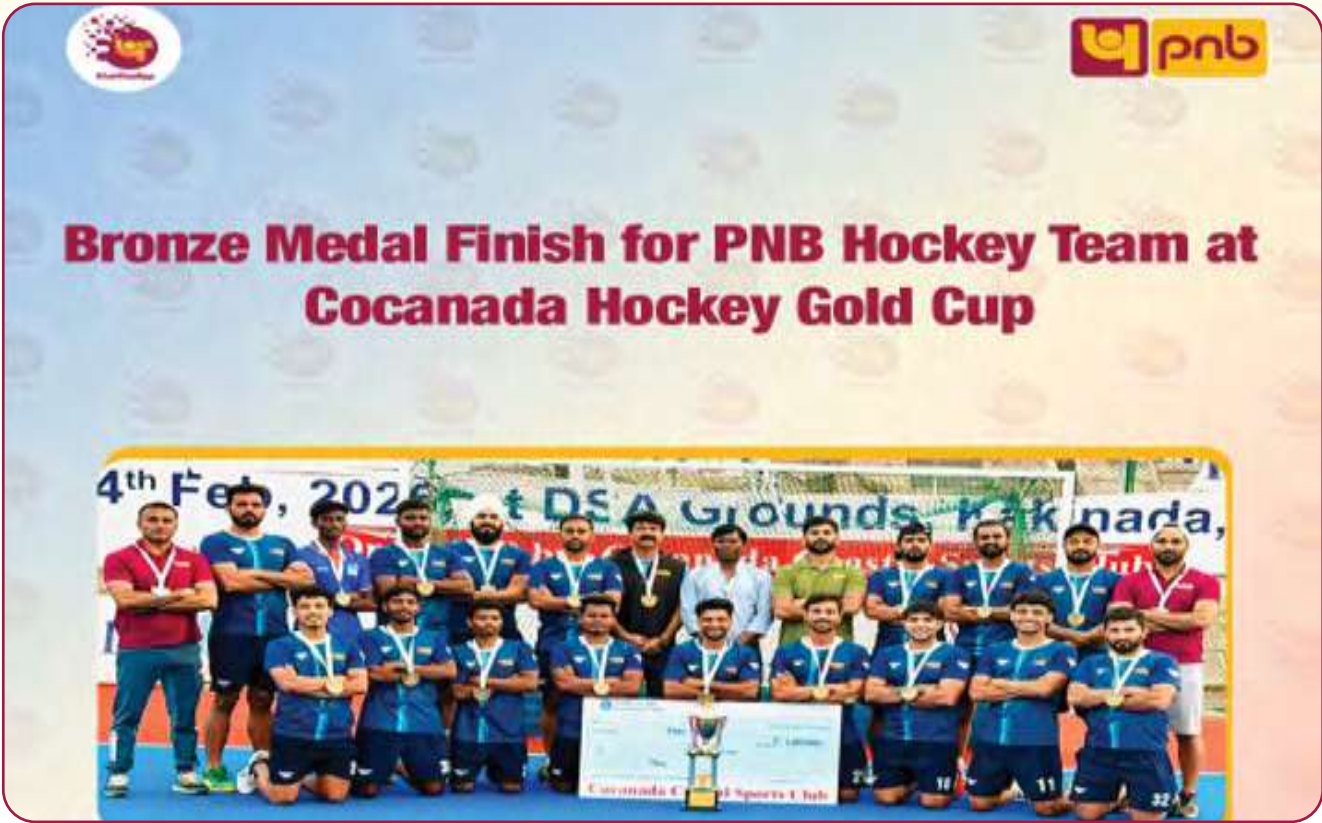
- **Sh. Abhishek:** Recognized as the "Player of the Tournament" at the 2025 Asia Cup.
 - **Sh. Sukhjeet Singh:** Honored with the prestigious "Hockey India Dhanraj Pillay Award of the Year 2025."
- Full logistics support, playing kits, and diet allowances.
 - Access to expert coaches, dieticians, and physiotherapists.
 - Professional-grade AstroTurf grounds and comprehensive insurance coverage.

Infrastructure & Support

The Bank provides a comprehensive professional ecosystem for its players, including:

The details of Hockey tournaments in which PNB senior hockey team participated for this FY 25-26 are mentioned below:

S. No.	Period of Tournament	Tournaments/championships	PNB Hockey Team Position
1.	23/05/2025-01/06/2025	14 th All India Lakshmi Ammal Memorial Hockey Tournament at Kovilpatti, Tamil Nadu	3 rd Place
2.	20/09/2025- 30/09/2025	43 rd All India K. D Singh Babu Memorial Hockey Tournament at Lucknow	League stage
3.	30/09/2025 -10/10/2025	5 th Hockey India Senior men Inter-department National Championship at Jamshedpur, Jharkhand	League stage
4.	01/11/2025 -08/11/2025	35 th Lal Bahadur Shastri Hockey Tournament at Shivaji Stadium, New Delhi	Semi Finalist
5.	08/11/2025 -16/11/2025	126 th All India Beighton Cup Hockey Tournament at Kolkata	League stage
6.	04/02/2026 -14/02/2026	1 st Cocanada Gold Cup Hockey Tournament at Kakinada, Andhra Pradesh	3 rd Place
7.	17/02/2026- 24/02/2026	Padma Shri Mohd. Shahid Hockey Tournament at Varanasi	League stage
8.	20/03/2026 -22/03/2026	Bholath Hockey Cup at Jalandhar, Punjab	League stage



Sh. Sukhjeet Singh receiving Hockey India Dhanraj Pillay Award of the Year 2025 by Hockey India

2. PNB Junior Hockey Academy

Established on **April 18, 2002**, the PNB Junior Hockey Academy is a flagship initiative dedicated to nurturing grassroots talent. The Academy was significantly **revamped and formally re-inaugurated on January 6, 2026**, by our esteemed **MD & CEO, Shri Ashok Chandra**, marking a new chapter in our commitment to youth development.

Key Features of the Academy:

- **Talent Pool:** Currently nurturing **15 promising young players** in a structured, high-performance environment.
- **Holistic Welfare:** Provides residential hostel accommodation and scientifically

- balanced nutritional meals.
- **Professional Guidance:** Staffed by qualified coaches, a dedicated dietician, an experienced doctor and a professional physiotherapist.
- **Financial Support:** Trainees receive a monthly stipend of **₹2,500/-** to support their well-being.
- **Logistics:** Comprehensive transport facilities are provided to ensure players attend daily disciplined practice sessions at the stadium.



Inauguration of Hockey Academy on January 6, 2026 by our esteemed MD & CEO, Shri Ashok Chandra

Through these sustained efforts, Punjab National Bank continues to build a legacy of sporting excellence, empowering young athletes to represent India on global platforms.

2.8 Other CSR Initiatives

A. PNB Prerna, an association of the spouses

of the senior officials of the Bank as well as senior lady officials of the Bank is performing a vital role in undertaking/promoting the Bank's CSR activities. The prime objective of the Association is to support the Corporate Social Responsibility initiatives of the Bank.



PNB Prerna President Ms. Rajnigandha, Vice President Ms. Sumathi, Ms. Anita Mahapatra, Ms. Lavanya and Ms. Ruchi Srivastava presenting CSR support to CAPED for cervical and breast cancer screening initiatives in Delhi on International Women's Day 2026.



PNB Prerna President Ms. Rajnigandha and Vice President Ms. Anita Mahapatra handing over CSR financial assistance to The Earth Saviours Foundation for procurement of medical equipment under community welfare initiatives.



PNB Prerna President Ms. Rajnigandha, Vice President Ms. Anita Mahapatra and Ms. Ruchi Srivastava handing over CSR support cheque to GSKV Matiala, New Delhi for infrastructural development and welfare activities for the school.

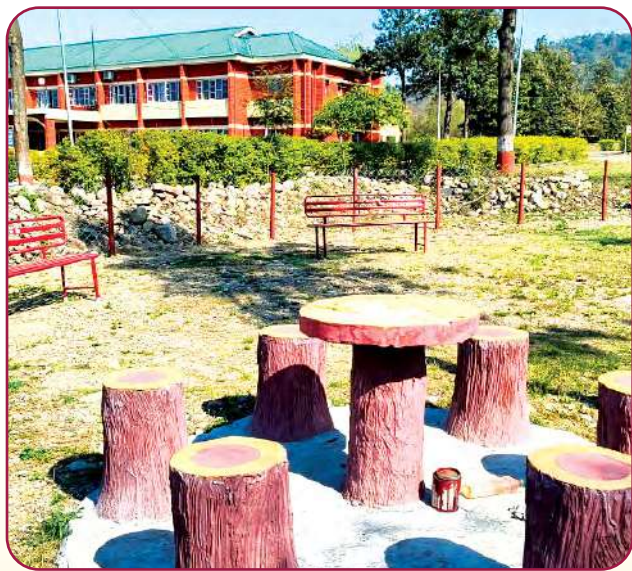
B. Other Welfare activities under CSR



Punjab National Bank, Zonal Office, Mumbai, supported the "Food for Life" campaign run by ISKCON as part of its Corporate Social Responsibility initiative. Under this campaign, needy villagers of Wada, Thane district, benefitted.



Zonal Manager, Agra, distributing room heaters and dinner plates at Sur Kuti, Runakta as part of a CSR activity



Donation of benches to Commandant 4th IRB Jangal Berry Hamirpur, H.P.



Installation of counter table and oven at Indian Red Cross Society Hamirpur, H.P.



Installation of water cooler at Gorakhnath Temple, U.P.



Study material was provided to the needy students of Primary School Benti, U.P.



As part of Corporate Social Responsibility, water bottles were distributed to needy students of Primary School, Makhdumpur, Gomti Nagar Extension, U.P.



Providing sports equipment to the needy students of Primary School, Chandwara



Providing study material to needy students of Pre-Primary School, Mankauti, Malihabad



DFS Secretary Shri M. Nagaraju and MD & CEO Shri Ashok Chandra, along with Executive Directors and CVO, flagging off the PNB Half Marathon Delhi 2025 - #PNBCyberRun, promoting fitness, cyber awareness and community engagement.



MD & CEO Shri Ashok Chandra, along with Executive Directors and CVO, sharing a memorable moment with enthusiastic runners during the PNB Half Marathon Delhi 2025 - #PNBCyberRun, celebrating fitness, teamwork and cyber awareness.

**PILLAR-3: DISCLOSURES UNDER BASEL III
FOR 31.03.2026**

(CONSOLIDATED)

Pillar 3 Disclosures under Basel III (Consolidated Basis and Important Ratios i.e. Capital, NPA and Industry Wise Exposure on Solo Basis) Framework for the Year ended March 31, 2026 as per guidelines of RBI have been disclosed separately on Bank's website. For details, please visit our website: www.pnb.bank.in > Regulatory Disclosures > Basel III Disclosures > Financial year 2025-2026

(web link: <https://www.pnb.bank.in/Basel-III-Disclosures.html>)

The section contains following disclosures: -

Sl. No.	Tables	Particulars
1.	Table DF - 1	Scope of Application
2.	Table DF - 2	Capital Adequacy
3.	Table DF - 3	Credit Risk: General Disclosures
4.	Table DF - 4	Credit Risk: Disclosures for Portfolios Subject to the Standardised Approach
5.	Table DF - 5	Credit Risk Mitigation: Disclosures for Standardised Approach
6.	Table DF - 6	Securitisation Exposures: Disclosure for Standardised Approach

Sl. No.	Tables	Particulars
7.	Table DF - 7	Market Risk in Trading Book
8.	Table DF - 8	Operational Risk
9.	Table DF - 9	Interest Rate Risk in the Banking Book (IRRBB)
10.	Table DF - 10	General Disclosure for Exposures Related to Counterparty Credit Risk
11.	Table DF - 11	Composition of Capital
12.	Table DF - 12	Composition of Capital - Reconciliation Requirements
13.	Table DF - 13	Main features of Regulatory Capital Instruments
14.	Table DF - 14	Full Terms and Conditions of Regulatory Capital Instruments
15.	Table DF - 15	Disclosure Requirements for Remuneration
16.	Table DF - 16	Equities - Disclosures for Banking Book Positions
17.	Table DF - 17	Summary Comparison of Accounting Assets vs Leverage Ratio Exposure Measure
18.	Table DF - 18	Leverage Ratio Common Disclosure Template

Collaborating
to build a
Viksit Bharat

STANDALONE FINANCIAL STATEMENTS



INDEPENDENT AUDITOR’S
REPORT

To,
The Members of Punjab National Bank
Report on Audit of the Standalone Financial
Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Punjab National Bank (the Bank), which comprise the Balance Sheet as at 31st March 2026, the Profit and Loss Account and the Statement of Cash Flow for the year then ended, and notes to financial statements including a summary of significant accounting policies and other explanatory information in which are included the returns for the year ended on that date of the Head Office, 22 Zonal Offices and
- i. 20 branches, Treasury division, Credit Card division and 39 other offices audited by us.
 - ii. 2042 Indian branches and other offices audited by statutory branch auditors.
 - iii. 1 foreign branch audited by local auditors.
 - iv. 1 International Banking Unit situated at Gujarat International Finance Tec-City (Gift City) audited by Statutory Branch 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 the Statement of Cash Flows are the returns from 9312 branches which have not been subjected to audit. These unaudited branches account for 25.01% of advances, 56.92 % of deposits, 19.32%

- of interest income and 52.50% of interest expenses.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949 in the manner so required for bank and are in conformity with accounting principles generally accepted in India and:
- a. The Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at 31st March, 2026;
 - b. The Profit and Loss Account, read with the notes thereon shows a true balance of profit for the year ended on that date and
 - c. The Statement of Cash Flow gives a true and fair view of the cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the Standalone financial statements 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31st March 2026. These matters were addressed

in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters prescribed below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our matter was addressed in the audit
Classification of Advances, Income Recognition, Identification of and provisioning for non-performing advances (Refer Schedule 9. to the Standalone Financial Statements, read with the Accounting Policy No 5) Advances constitute <u>61.70</u> per cent of the Bank's total assets. The advances are classified as performing and non-performing advances (NPA) and provisioning thereon is made in accordance with the prudential norms as prescribed by the Reserve Bank of India (RBI). The Bank has implemented complete system driven recognition of advances and their classification in SASCL Application under Core Banking Solution (CBS). The extent of provisioning of NPA under the prudential norms are mainly based on its ageing and recoverability of the underlined security. The same are also reviewed manually based on necessity. In the event of any improper application of the prudential norms or consideration of the incorrect value of the security, as the valuation of the security involves high degree of estimation and judgement. The carrying value of the advances could be materially misstated either individually or collectively, and in view of the significance of the amount of advances in the Standalone Financial Statements the classification of the advances and provisioning thereon has been considered as Key Audit Matter in our audit.	Our audit approach towards advance included an understanding of the Bank's software, circulars, guidelines, IRAC Norms and directives of the Reserve Bank of India and the Bank's internal instructions and procedures in respect of the assets classification and its provisioning on sample basis and adopted the following audit procedures: • Examined on test check basis the efficacy of various internal controls over advances to determine the nature, timing and extent of the substantive procedures and compliance with the observations of the various audits conducted as per the monitoring mechanism of the Bank and RBI Inspection with respect to income recognition, asset classification and provisioning pertaining to these advances. • Reviewed the Bank's monitoring mechanisms to identify errors and omission in applying/ implementation of logic / data integrity and its corrective action. • In carrying out substantive procedures at the branches audited by us, we have reviewed the documentations, operations / performance and monitoring of the advance accounts, to ascertain any overdue, unsatisfactory conduct or weakness in any advance account including, examination of classification on sample basis in compliance with the RBI Master Circulars / Guidelines/ Judicial pronouncements Reliance is also placed on Audit Reports of other Statutory Branch Auditors with whom we have also made specific communication. • Reviewed the report of independent IT Expert on review of SASCL Application (Income Recognition and Asset Classification solution) used by CBS including the review of "Baseline Requirements for the NPA classification Solution". Accordingly, we have assessed and evaluated the process of identification of NPAs and corresponding reversal of income and creation of provision • Reviewed on test check basis the reports of the credit audit, inspection audit, risk based internal audit, concurrent audit, regulatory audit to ascertain existence and effectiveness of such monitoring mechanisms as per the policies and procedures of the Bank

Key Audit Matters	How our matter was addressed in the audit
Classification and Valuation of Investments, Identification of and provisioning for Non-Performing investments. (Refer Schedule 8 to the Standalone Financial Statements, read with the Accounting Policy No 4) Investments constitute 24.88 per cent of the Banks's total assets. Investment portfolio of the bank comprises of Investments in Government Securities, Bonds, Debentures, Shares, Security Receipts and other Approved Securities which are classified under three categories, Held to Maturity (HTM), Available for Sale (AFS) and Fair Value through Profit or Loss (FVTPL) Valuation of Investments, identification of Non-performing Investments (NPI) and the corresponding non-recognition of income and provision thereon, is carried out in accordance with the relevant circulars / guidelines / directions of RBI. The valuation of each category (type) of aforesaid security is to be carried out as per the methodology prescribed in circulars and directives issued by the RBI which involves collection of data/ information from various sources such as FIMMDA rates, rates quoted on BSE/ NSE, financial statements of unlisted companies, NAV in case of mutual funds & security receipts etc. Certain investments are based on the valuation methodologies that include statistical models with inherent assumptions, assessment of price for valuation based on financial statements etc. Hence, the price discovered for the valuation of these Investments may not be the true representative but only a fair assessment of the Investments as on date. Hence the valuation of Investments requires special attention and further in view of the significance of the amount of Investments in the financial statements the same has been considered as Key Audit Matter in our audit.	Our audit approach towards Investments with reference to the RBI circulars / directives included the review and testing of the design, implementation, operating effectiveness of internal controls and audit procedures in relation to valuation, classification, identification of Non-Performing Investments, provisioning / depreciation related to Investments as per RBI guidelines. • We reviewed and evaluated the process adopted for collection of information from various sources for determining fair value of these investments. • For the selected sample of investments in hand, we tested accuracy and compliance with the RBI Master Circulars and directions by re-performing valuation for each category of security. Samples were selected after ensuring that all the categories of investments (based on nature of security) were covered in the sample • We assessed and evaluated the process of identification of NPIs, and corresponding reversal of income and creation of provision. • We understood and reviewed the methodology adopted by the Bank for classification of investments into various categories as per RBI guidelines • We carried out substantive audit procedures to recompute independently the provision to be maintained and depreciation to be provided in accordance with the circulars and directives of the RBI. Accordingly, we selected samples from the investments of each category and tested for NPIs as per the RBI guidelines and recomputed the provision to be maintained in accordance with the RBI Circular for those selected sample of NPIs
Assessment of Information Technology (IT): IT controls with respect to recording of transactions, generating various reports in compliance with RBI guidelines including IRAC norms. Other regulatory compliances is also an important part of the process. Such reporting is highly dependent on the effective working of Core Banking Software and other allied systems. We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management and regulators	Our audit approach included: - • Understanding the coding system adopted by the Bank for various categories of customers. • Reviewed the design, implementation and operating effectiveness of the Bank's IT controls including application, access controls that are critical to financial reporting on test check basis. • Understanding the feeding of the data in the system and going through the extraction of the financial information and statements from the IT system existing in the Bank. • Checking of the user requirements for any changes in the regulations/ policy of the Bank. • Reviewed the reports generated by the system on sample basis. • Reviewed the report of independent IT Expert on review of SASCL Application (Income Recognition and Asset Classification solution) used by CBS including the review of "Baseline Requirements for the NPA classification Solution".

Key Audit Matters	How our matter was addressed in the audit
Litigation & Contingent Liabilities (Refer Schedule 12. to the Standalone Financial Statements, read with the Accounting Policy No 12) Assessment of Contingent liabilities in respect of certain litigations including Direct and Indirect Taxes and various other claims filed by other parties upon the Bank not acknowledged as debts. There is high level of judgment required in estimating the level of provisioning. The Bank's assessment is supported by the facts of matter, their own judgment, past experience, and advice from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and the Balance Sheet. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of litigations which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgments/ interpretation of law involved.	Our audit approach involved: - • Obtaining an understanding of internal controls relevant to the audit in order to design our audit procedures that are appropriate in the circumstances; • Going through the current status of the tax litigations and contingent liabilities; • Examining the orders and/or communication received from various Tax Authorities/ Judicial forums and follow up action thereon; • Evaluating the merits of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice; and • Wherever required, reliance is placed on the opinion of legal and tax consultants. • Verification of disclosures related to significant litigations and taxation matters.

Other Matters

5. We did not audit the financial statements / information of 2042 branches and other offices, 1 foreign branch and 1 International Banking Unit situated in Gujarat International Finance Tec-City (Gift City) included in the standalone financial statements of the Bank whose financial statements / financial information reflect total assets of Rs. 4,34,083.95 crores as at 31st March 2026 and total revenue of Rs. 28,363.22 crores for the year ended on that date, as considered in the standalone financial statements. These branches and other offices and foreign branches cover 28.22% of advances, 34.96% of deposits and 27.09% of non-performing assets as at 31st March 2026 and 19.29% of revenue for the year ended 31st March 2026. The financial statements / information of these branches has been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

6. The Bank's Board of Directors is responsible for preparation of the other information. The other information comprises the Directors' Report, including annexures, Corporate Governance Report and other reports (but does not include the financial statements and our auditor's report thereon). Our opinion on the Standalone Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained

in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The Bank's Board of Directors is responsible with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards issued by ICAI to the extent applicable, and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the above mentioned Act 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 statements that give

a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is 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 management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

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

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

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 statements. 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 financial statements, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatements in the standalone financial statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) Planning of the scope of our audit work and in evaluating the results of our work; and
- (ii) To evaluate the effect of any identified misstatement in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

9. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949;
10. Subject to the limitations of the audit indicated in paragraphs 8 and 9 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, and subject also to the limitations of disclosure required therein,

we report that:

- a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory.
 - b. The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and
 - c. The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.
11. As required by letter No. DOS. ARG. No. 6270/08.91.001/ 2019-20 dated 17th March 2020 on "Appointment of Statutory Central Auditors (SCAs) in Public Sector Banks - Reporting obligations for SCAs from FY 2019-20", read with subsequent communication dated 19 May 2020 issued by the RBI, we further report on the matters specified in paragraph 2 of the aforesaid letter as under:
- a) In our opinion, the aforesaid Standalone Financial Statements comply with the applicable Accounting Standards issued by ICAI, to the extent they are not inconsistent with the accounting policies prescribed by the RBI.
 - b) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Bank.
 - c) As the Bank is not registered under the Companies Act, 2013 the disqualification from being a director of the bank under sub-section (2) of section 164 of the Companies Act, 2013 do not apply to the Bank.
 - d) There are no qualifications, reservations or adverse remarks

relating to the maintenance of accounts and other matters connected therewith.

- e) Our audit report on the adequacy and operating effectiveness of the Bank's internal financial controls over financial reporting is given in Annexure A to this report. Our report expresses an unmodified opinion on the Bank's internal financial controls over financial reporting as at 31st March 2026.
12. We further report that:
- a. In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches/offices not visited by us;
 - b. the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flow dealt with by this report are in agreement with the books of account and with the returns received from the branches/offices not visited by us.
 - c. The reports on the accounts of the branch/offices audited by branch auditors of the Bank under section 29 of the Banking Regulation Act, 1949 have been sent to us and have been properly dealt with by us in preparing this report; and
 - d. In our opinion, the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

**For Ummed Jain & Co.
Chartered Accountants
FRN: 119250W**

**CA Akhil Jain
Partner
(M.No. 137970)
UDIN: 26137970JHIIND4442**

**For Prem Gupta & Co.
Chartered Accountants
FRN: 000425N**

**CA Rajan Uppal
Partner
(M.No. 097379)
UDIN: 26097379YOYDKH7175**

**Place: New Delhi
Date: May 05, 2026**

**For N K Bhargava & Co.
Chartered Accountants
FRN: 000429N**

**CA N K Bhargava
Partner
(M.No. 080624)
UDIN: 26080624ODHZIH9090**

**For P A & Associates
Chartered Accountants
FRN: 313085E**

**CA Braja Nanda Dash
Partner
(M.No. 062142)
UDIN: 26062142PNPGTD8131**

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 12 (e) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting as required by the Reserve Bank of India (the "RBI") Letter DOS.ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended) (the "RBI communication")

Opinion

We have audited the internal financial controls over financial reporting of Punjab National Bank ("the Bank") as of 31 March, 2026 in conjunction with our audit of the Standalone Financial Statements of the Bank for the year ended on that date which includes internal financial controls over financial reporting of the Bank's branches/offices.

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 branch auditors referred to in the Other Matters paragraph below, the Bank has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2026, based on the criteria for internal financial control over financial reporting established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Banking Regulation Act, 1949 and the circulars and guidelines issued by the Reserve Bank of India.

Auditor's Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI") and the Standards on Auditing (SAs) issued by the ICAI, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls

over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal financial controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our unqualified audit opinion on the Bank's internal financial controls over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Bank's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Bank's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect

the transactions and dispositions of the assets of the Bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorizations of management and directors of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report in so far as it relates to the operating effectiveness of internal financial controls over financial reporting of 2044 branches/offices is based on the corresponding reports of the respective branch auditors of those branches / offices.

Our opinion is not modified in respect of this matter.

For Ummed Jain & Co.
Chartered Accountants
FRN: 119250W

CA Akhil Jain
Partner
(M.No. 137970)
UDIN: 26137970JHIIND4442

For Prem Gupta & Co.
Chartered Accountants
FRN: 000425N

CA Rajan Uppal
Partner
(M.No. 097379)
UDIN: 26097379YOYDKH7175

Place: New Delhi
Date: May 05, 2026

For N K Bhargava & Co.
Chartered Accountants
FRN: 000429N

CA N K Bhargava
Partner
(M.No. 080624)
UDIN: 26080624ODHZIH9090

For P A & Associates
Chartered Accountants
FRN: 313085E

CA Braja Nanda Dash
Partner
(M.No. 062142)
UDIN: 26062142PNPGTD8131

PUNJAB NATIONAL BANK - STANDALONE BALANCE SHEET AS ON
MARCH 31, 2026

(Rs.000's omitted)			
Particulars	Schedule	As on 31.03.2026	As on 31.03.2025
Capital and Liabilities			
Capital	1	2298,58,87	2298,58,87
Reserves and Surplus	2	140351,15,16	125063,65,73
Deposits	3	1711126,33,12	1566623,28,30
Borrowings	4	82314,32,43	83776,71,52
Other liabilities and provisions	5	49802,07,85	40408,48,71
Total		1985892,47,43	1818170,73,13
Assets			
Cash and balances with Reserve Bank of India	6	60855,52,03	64304,60,79
Balances with banks and money at call and short notice	7	101091,54,93	84415,23,38
Investments	8	494111,83,99	497311,25,22
Advances	9	1225292,29,84	1077474,57,19
Fixed Assets	10	15576,77,04	13053,38,67
Other Assets	11	88964,49,60	81611,67,88
Total		1985892,47,43	1818170,73,13
Contingent Liabilities	12	487587,72,81	652244,40,02
Bills for Collection		35566,15,62	39512,92,10
Significant Accounting Policies	17		
Notes on Accounts	18		
Schedules referred to above form an integral part of the Balance Sheet			

Raman Grover
Chief General Manager & CFO

Amit Kumar Srivastava
Executive Director

D. Surendran
Executive Director

Bibhu Prasad Mahapatra
Executive Director

M Paramasivam
Executive Director

Ashok Chandra
Managing Director & CEO

Vandana Bhagavatula
Director

Ambarish Ojha
Director

Dr. Uma Sankar
Director

D. Anandan
Director

For Ummed Jain & Co.
Chartered Accountants
FRN: 119250W

For N K Bhargava & Co.
Chartered Accountants
FRN: 000429N

For Prem Gupta & Co.
Chartered Accountants
FRN: 000425N

For P A & Associates
Chartered Accountants
FRN: 313085E

CA Akhil Jain
Partner
(M.No. 137970)

CA N K Bhargava
Partner
(M.No. 080624)

CA Rajan Uppal
Partner
(M.No. 097379)

CA Braja Nanda Dash
Partner
(M.No. 062142)

Date : May 05, 2026
Place: New Delhi

PUNJAB NATIONAL BANK - STANDALONE PROFIT AND LOSS
ACCOUNT FOR THE YEAR ENDED MARCH 31, 2026

(Rs.000's omitted)				
Particulars		Schedule	Period ended 31.03.2026	Period ended 31.03.2025
I.	Income			
	Interest earned	13	128223,19,25	121760,72,70
	Other Income	14	18793,96,66	16309,37,13
	Total		147017,15,91	138070,09,83
II.	Expenditure			
	Interest expended	15	86263,41,64	78978,55,72
	Operating expenses	16	31464,11,07	32260,87,15
	Provisions and contingencies		12385,64,25	10200,46,84
	Total		130113,16,96	121439,89,71
III.	Profit			
	Net Profit for the period		16903,98,95	16630,20,12
	Balance in Profit & Loss Account		1,64,40	80,81
IV.	Appropriations			
	Transfer to Statutory Reserves		4225,99,73	4157,55,03
	Transfer to Capital Reserves		1598,53,80	474,19,86
	Transfer to Investment Fluctuation Reserve		830,19,20	1049,66,29
	Transfer to Special Reserve as per Income Tax Act		925,00,00	1700,00,00
	Proposed Dividend		3447,88,30	3332,95,35
	Transfer to Other Reserves		5876,00,00	5915,00,00
	Balance in Profit and Loss Account		202,32	164,40
	Total		16905,63,35	16631,00,93
	Earning per Share (Rs.) (Basic/Diluted) (Nominal Value Rs.2 per share)		14.71	14.77
	Significant Accounting Policies	17		
	Notes to Accounts	18		
	Schedules referred to above form an integral part of the Profit and Loss Account			

Raman Grover Chief General Manager & CFO			
Amit Kumar Srivastava Executive Director	D. Surendran Executive Director	Bibhu Prasad Mahapatra Executive Director	M Paramasivam Executive Director
Ashok Chandra Managing Director & CEO			
Vandana Bhagavatula Director	Ambarish Ojha Director	Dr. Uma Sankar Director	D. Anandan Director
For Ummed Jain & Co. Chartered Accountants FRN: 119250W	For N K Bhargava & Co. Chartered Accountants FRN: 000429N	For Prem Gupta & Co. Chartered Accountants FRN: 000425N	For P A & Associates Chartered Accountants FRN: 313085E
CA Akhil Jain Partner (M.No. 137970)	CA N K Bhargava Partner (M.No. 080624)	CA Rajan Uppal Partner (M.No. 097379)	CA Braja Nanda Dash Partner (M.No. 062142)
Date : May 05, 2026 Place: New Delhi			

PUNJAB NATIONAL BANK - SCHEDULES TO THE STANDALONE ACCOUNTS

(Rs.000's omitted)		
Particulars	As on 31.03.2026	As on 31.03.2025
SCHEDULE 1 - CAPITAL		
Authorised		
1500,00,00,000 Equity Shares of Rs. 2 each (Previous year 1500,00,00,000 Equity Shares of Rs. 2 each)	3000,00,00	3000,00,00
Issued & Subscribed		
1149,29,43,268 Equity Shares of Rs. 2 each (Previous year 1149,29,43,268 Equity Shares of Rs. 2 each)	2298,58,87	2298,58,87
Paid Up		
1149,29,43,268 Equity Shares of Rs. 2 each (Previous year 1149,29,43,268 Equity Shares of Rs. 2 each)	2298,58,87	2298,58,87
[The above includes 805,41,25,685 Equity Shares of Rs. 2 each (Previous year 805,41,25,685 Equity Shares of Rs. 2 each) held by the Central Government]		
Total	2298,58,87	2298,58,87

(Rs.000's omitted)		
Particulars	As on 31.03.2026	As on 31.03.2025
SCHEDULE 2 - RESERVES AND SURPLUS		
I. Statutory Reserves		
Opening Balance	21996,98,80	17839,43,77
Addition during the period	0	0
Add: Transfer from P&L Appropriation A/c	4225,99,73	4157,55,03
Deduction during the year	0	0
	26222,98,53	21996,98,80
II. Capital Reserves		
a) Revaluation Reserve		
Opening Balance	8308,43,19	8305,62,99
Add: Addition during the year (net)	2232,95,08	103,12,50
Less: Deduction during the year	0	0
Less: Transfer to Other Reserves (net)	178,04,60	100,32,30
	10363,33,67	8308,43,19

(Rs.000's omitted)			
Particulars		As on 31.03.2026	As on 31.03.2025
b) Others (including Amalgamation Reserve of Rs. 9268.29 Crores)	Opening Balance	17148,50,09	16673,84,36
	Add: Transfer from P&L Appropriation A/c	1598,53,80	474,19,86
	Add: Addition during the year	0	45,87
		-----	-----
		18747,03,89	17148,50,09
III. <u>Share Premium</u>			
Opening Balance	50903,36,93	46012,18,78	
	Add: Addition during the year	0	4891,18,15
	-----	-----	-----
	50903,36,93	50903,36,93	
IV. <u>Revenue and Other Reserves</u>			
a) <u>Investment Reserve</u>			
Opening Balance	0	386,34,51	
	Less: Transfer to Investment Fluctuation Reserve	0	386,34,51
	-----	-----	-----
	0	0	
b) <u>Investment Fluctuation Reserve</u>			
Opening Balance	3313,36,00	1877,35,20	
	Add: Transferred from Investment Reserve	0	386,34,51
	Addition during the period	0	0
Add :Transfer from P&L Appropriation A/c	830,19,20	1049,66,29	
	Less: Transfer to P&L Appropriation A/c	0	0
	-----	-----	-----
	4143,55,20	3313,36,00	
c) <u>Exchange Fluctuation Reserve</u>			
Opening Balance	257,93,32	238,88,44	
	Add: Addition during the period	126,07,16	21,26,87
	Less: Deduction during the period	4,82,64	2,21,99
	-----	-----	-----
	379,17,84	257,93,32	

(Rs.000's omitted)			
Particulars		As on 31.03.2026	As on 31.03.2025
d) <u>Special Reserve under Sec.36(1) (viii) of Income Tax Act, 1961</u>	Opening Balance	5715,78,00	4015,78,00
	Transferred from Other Reserves	0	0
	Add: Addition during the year	925,00,00	1700,00,00
		-----	-----
		6640,78,00	5715,78,00
e) <u>Other Reserve</u>			
Opening Balance	17038,10,31	8924,10,17	
	Add: Impact of transition of Investment Portfolio	0	2098,67,84
	Add: Transfer from P&L Appropriation A/c	5876,00,00	5915,00,00
Add: Transfer from Revaluation Reserves (net)	178,04,60	100,32,30	
	Less: Payment for blocked accounts	0	0
	-----	-----	-----
	23092,14,91	17038,10,31	
f) <u>AFS-Reserve</u>			
Opening Balance	379,54,69	0	
	Add: Impact of transition of Investment Portfolio	0	-46,30,50
	Add: Addition / (Deduction) during the period (net including tax impact)	-522,80,82	425,85,19
Less: Deduction during the period	0	0	
		-----	-----
	-143,26,13	379,54,69	
V. <u>Balance in Profit and Loss Account</u>			
Opening Balance	1,64,40	80,81	
	Add: Addition during the year	16903,98,95	16630,20,12
	Less: Appropriations as per Statement of Profit & Loss	16903,61,03	16629,36,53
	-----	-----	-----
	2,02,32	1,64,40	
Total (I, II, III, IV and V)		140351,15,16	125063,65,73
<u>SCHEDULE 3 - DEPOSITS</u>			
A.I. <u>Demand Deposits</u>			
(i) From Banks	3277,93,02	3448,35,21	
	76019,64,55	71665,16,36	
	-----	-----	-----
	79297,57,57	75113,51,57	

(Rs.000's omitted)			
Particulars		As on 31.03.2026	As on 31.03.2025
II.	Savings Bank Deposits	530321,26,84	498429,41,22
III.	Term Deposits		
	(i) From Banks	120287,95,50	95890,89,09
	(ii) From others	981219,53,21	897189,46,42
		----- 1101507,48,71	----- 993080,35,51
	Total (I, II and III)	1711126,33,12	1566623,28,30
B.	(i) Deposits of branches in India	1649059,79,99	1511335,50,28
	(ii) Deposits of branches outside India	62066,53,13	55287,78,02
	Total	1711126,33,12	1566623,28,30
	Out of the total deposits, the amount of deposits against which lien is marked	92618,61,58	75664,12,66
	SCHEDULE 4 - BORROWINGS		
I.	Borrowings in India		
	(a) Reserve Bank of India	17152,00,00	28673,00,00
	(b) Other Banks	54	59,60
	(c) Other Institutions and Agencies	11478,07,32	6501,54,80
	(d) Unsecured Redeemable Bonds		
	(i) Tier-I Bonds (Perpetual Debt Instruments)	14197,00,00	14692,00,00
	(ii) Upper Tier-II Bonds	0	0
	(iii) Subordinate debts for Tier II Capital	15009,00,00	20003,00,00
	(iv) Long term infrastructure bonds	2950,00,00	2950,00,00
		----- 32156,00,00	----- 37645,00,00
II.	Borrowings outside India	21528,24,57	10956,57,12
	Total (I and II)	82314,32,43	83776,71,52
	Secured Borrowings included in I & II above	24837,49,54	35539,62,77
	SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS		
I.	Bills payable	3067,85,55	4378,02,44
II.	Inter-office adjustments (net)	53,18,55	76,88,89

(Rs.000's omitted)			
Particulars		As on 31.03.2026	As on 31.03.2025
III.	Interest accrued	3775,86,33	4468,76,39
IV.	Deferred Tax Liability (Net)	0	0
V.	Others (including provisions)	42905,17,42	31484,80,99
	Total	49802,07,85	40408,48,71
	SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I.	<u>Cash in hand (including foreign currency notes)</u>	3450,32,23	3211,99,65
II.	<u>Balance with Reserve Bank of India</u>		
	(a) in Current Account	44611,19,80	59401,61,14
	(b) in Other Accounts	12794,00,00	1691,00,00
	Total (I and II)	60855,52,03	64304,60,79
	SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I.	In India		
	(i) Balances with banks		
	(a) in Current Accounts	2,64,98	847,97,83
	(b) in Other Deposit Accounts	28444,28,45	19628,57,11
		----- 28446,93,43	----- 20476,54,94
	(ii) Money at call and short Notice		
	(a) with Banks	0	0
	(b) with Other Institutions	11959,05,01	16247,76,82
		----- 11959,05,01	----- 16247,76,82
	Total (i and ii)	40405,98,44	36724,31,76
II.	Outside India		
	(i) Balances with Banks		
	(a) In Current Accounts	13116,32,77	12646,16,62
	(b) In Other Deposit Accounts	47569,23,72	35044,75,00
		----- 60685,56,49	----- 47690,91,62

		(Rs.000's omitted)	
Particulars		As on 31.03.2026	As on 31.03.2025
(ii) Money at Call and Short Notice		0	0
Total (i and ii)		60685,56,49	47690,91,62
Grand Total (I and II)		101091,54,93	84415,23,38
SCHEDULE 8 - INVESTMENTS			
I. Investments in India in			
(i) Government securities	406218,54,20	419628,18,67	
(ii) Other approved securities	0	0	
(iii) Shares	10044,26,90	7195,86,03	
(iv) Debentures and Bonds	46960,35,44	38406,40,91	
(v) Subsidiaries and/or joint ventures (including sponsored institutions)	2701,51,30	2113,61,46	
(vi) Others			
Mutual Funds, Venture Capital Funds, ARCIL Commercial Papers, Certificate of Deposits, etc.	17866,57,79	18145,03,80	
Total	483791,25,63	485489,10,87	
II. Investments outside India in			
(i) Government securities (including local authorities)	7959,15,08	9305,49,19	
(ii) Subsidiaries and/or Joint ventures abroad	1821,99,21	1819,61,98	
(iii) Others	539,44,07	697,03,18	
Total	10320,58,36	11822,14,35	
Grand Total (I and II)		494111,83,99	497311,25,22
III. Investments in India			
(i) Gross value of investments	486390,07,92	490113,43,95	
(ii) Less: Aggregate of provisions for depreciation and impairment	2598,82,29	4624,33,08	
(iii) Net investment [vide I above]	483791,25,63	485489,10,87	
IV. Investments outside India			
(i) Gross value of investments	10992,31,47	12562,80,68	

		(Rs.000's omitted)	
Particulars		As on 31.03.2026	As on 31.03.2025
(ii) Less: Aggregate of provisions for depreciation and impairment		671,73,11	740,66,33
(iii) Net investment [vide II above]		10320,58,36	11822,14,35
Grand Total (III and IV)		494111,83,99	497311,25,22
SCHEDULE 9 - ADVANCES			
A.			
(i) Bills purchased and discounted	9364,74,36	5985,23,92	
(ii) Cash Credits, Overdrafts & Loans repayable on demand	496614,27,90	448069,66,32	
(iii) Term Loans	719313,27,58	623419,66,95	
Total	1225292,29,84	1077474,57,19	
B.			
(i) Secured by tangible assets (Includes advances against Book Debts)	918823,89,23	810835,54,43	
(ii) Covered by Bank/Government guarantees	20404,86,80	25370,91,91	
(iii) Unsecured	286063,53,81	241268,10,85	
Total	1225292,29,84	1077474,57,19	
C.I. Advances in India			
(i) Priority Sector	375029,51,00	293804,35,31	
(ii) Public Sector	211302,00,48	189063,19,28	
(iii) Banks	1045,76,15	0	
(iv) Others	572305,88,95	544018,04,75	
Total	1159683,16,58	1026885,59,34	
C.II. Advances outside India			
(i) Due from Banks	29196,73,89	26197,45,61	
(ii) Due from Others			
(a) Bills Purchased & Discounted	1175,69,58	1740,73,92	
(b) Syndicated Loans	6929,67,59	5520,37,59	
(c) Others	28307,02,20	17130,40,73	
Total	65609,13,26	50588,97,85	
Grand Total (C.I and C.II)		1225292,29,84	1077474,57,19

		(Rs.000's omitted)	
Particulars		As on 31.03.2026	As on 31.03.2025
SCHEDULE 10 - FIXED ASSETS			
A	Tangible Assets		
I.	Premises		
	At cost / valuation as on 31 st March of the preceding year	11313,45,11	12214,74,13
	Add: Addition to Revaluation Reserve (net)	2232,95,08	103,12,50
	Add: Addition during the year	145,92,82	226,38,08
		-----	-----
		13692,33,01	12544,24,71
	Less: Deduction during the year	385,97,38	1230,79,60
	Less: Adjustment during the period	0	0
		-----	-----
		13306,35,63	11313,45,11
	Less: Depreciation to date (Including on revalued amount)	770,91,95	947,07,41
		-----	-----
		12535,43,68	10366,37,70
II.	Other Fixed Assets (including Furniture and Fixtures)		
	At cost / valuation as on 31 st March of the preceding year	10260,32,05	10704,74,55
	Add: Addition during the year	1033,93,19	1088,23,57
		-----	-----
		11294,25,24	11792,98,12
	Less: Deduction during the year	1654,22,66	1532,66,07
		-----	-----
		9640,02,58	10260,32,05
	Less: Depreciation to date	7141,39,25	7931,59,97
		-----	-----
		2498,63,33	2328,72,08
III.	Leased Assets		
	At cost as on 31 st March of the preceding year	25,23,86	25,23,86
	Add: Addition/adjustment during the year	0	0

		(Rs.000's omitted)	
Particulars		As on 31.03.2026	As on 31.03.2025
		-----	-----
		25,23,86	25,23,86
	Less: Deduction during the year	0	0
		-----	-----
		25,23,86	25,23,86
	Less: Amortisation / lease adjustment to date	25,23,86	25,23,86
		-----	-----
		0	0
	Total (I, II and III)	15034,07,01	12695,09,78
B	Intangible Assets		
	Computer Software		
	At cost as on 31 st March of the preceding year	1644,75,00	1368,44,43
	Add: Addition during the year	396,46,25	276,30,57
		-----	-----
		2041,21,25	1644,75,00
	Less: Deduction during the year	0	0
		-----	-----
		2041,21,25	1644,75,00
	Less: Amortised to date	1498,51,22	1286,46,11
		-----	-----
	Total	542,70,03	358,28,89
	Grand Total (A and B)	15576,77,04	13053,38,67
SCHEDULE 11 - OTHER ASSETS			
I.	Inter-office adjustments (net)	0	0
II.	Interest accrued	20018,77,84	18524,26,63
III.	Tax paid in advance / tax deducted at source	7267,22,06	9366,73,06
IV.	Stationery and stamps	5,91,22	6,37,41
V.	Non-banking assets acquired in satisfaction of claims	24,66,57	24,66,57

(Rs.000's omitted)			
Particulars		As on 31.03.2026	As on 31.03.2025
VI.	Deferred tax asset (net)	13047,39,44	20939,60,17
VII.	Others	48600,52,47	32750,04,04
	[includes deposits with NABARD/SIDBI/NHB, etc. Rs. 25253,13,09 thousands on account of shortfall in priority sector targets; (Previous year Rs.21400,43,62 thousands)]		
		88964,49,60	81611,67,88
SCHEDULE 12 - CONTINGENT LIABILITIES			
I.	(i) Claims against the Bank not acknowledged as debts	860,29,16	846,87,84
	(ii) Disputed income tax and GST demands under appeals, references, etc.	11619,34,32	12017,79,06
II.	Liability for partly paid investments	176,25,63	179,59,82
III.	Liability on account of outstanding forward exchange contracts	370129,08,88	550400,94,12
IV.	Guarantees given on behalf of constituents:		
	(a) In India	72693,44,89	60593,27,47
	(b) Outside India	3952,69,31	3753,13,48
V.	Acceptances, endorsements and other obligations	20788,15,36	17886,98,57
VI.	Other items for which the Bank is contingently liable	7368,45,26	6565,79,66
	Total	487587,72,81	652244,40,02

(Rs.000's omitted)			
Particulars		Period ended 31.03.2026	Period ended 31.03.2025
SCHEDULE 13 - INTEREST EARNED			
I.	Interest/discount on advances/bills	88761,58,57	86100,95,08
II.	Income on investments	33125,77,27	30700,55,00
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	4257,77,78	3465,85,69
IV.	Others	2078,05,63	1493,36,93
	Total	128223,19,25	121760,72,70
SCHEDULE 14 - OTHER INCOME			
I.	Commission, exchange and brokerage	4619,12,25	4573,96,92
II.	Profit on sale of investments	4972,87,71	2845,00,50
	Less: Loss on sale of investments	216,05,70	77,85,85
		----- 4756,82,01	----- 2767,14,65
III.	Profit on revaluation of investments	1363,62,01	1602,40,77
	Less: Loss on revaluation of investments	1579,37,07	446,35,65
		----- -215,75,06	----- 1156,05,12
IV.	Profit on sale of land, buildings and other assets	7,44,12	4,42,32
	Less: Loss on sale of land, buildings and other assets	25,02	36,31
		----- 7,19,10	----- 4,06,01
V.	Profit on exchange transactions	4287,49,52	437,30,23
	Less: Loss on exchange transactions	3653,18,14	46,91,00
		----- 634,31,38	----- 390,39,23
VI.	Income earned by way of dividends, etc. from subsidiaries/companies and/or joint ventures abroad/in India	91,84,84	40,70,00
VII.	Miscellaneous Income	8900,42,14	7377,05,20
	(includes recovery in written off accounts Rs. 5930,66,55 thousands; Previous Year Rs.4925,87,83 thousands)		
	Total	18793,96,66	16309,37,13

(Rs.000's omitted)		
Particulars		
	Period ended 31.03.2026	Period ended 31.03.2025
SCHEDULE 15 - INTEREST EXPENDED		
I. Interest on Deposits	81747,23,27	74136,24,13
II. Interest on Reserve Bank of India/Inter-bank borrowings	1459,17,42	1601,45,41
III. Others	3057,00,95	3240,86,18
Total	86263,41,64	78978,55,72
SCHEDULE 16 - OPERATING EXPENSES		
I. Payments to and provisions for employees	18747,02,59	21357,72,09
II. Rent, taxes and lighting	1438,58,54	1391,73,78
III. Printing and stationery	163,92,81	171,24,75
IV. Advertisement and publicity	145,86,47	123,81,43
V. Depreciation on bank's property	1271,68,29	947,57,49
VI. Directors' fees, allowances and expenses	2,47,87	2,68,63
VII. Auditors' fees and expenses (including branch auditors)	63,38,14	54,85,82
VIII. Law charges	107,78,11	112,01,76
IX. Postage, Telegrams, Telephones, etc.	314,83,77	329,67,66
X. Repairs and maintenance	1073,23,81	866,98,54
XI. Insurance	2177,24,72	1899,16,77
XII. Other expenditure	5958,05,95	5003,38,43
Total	31464,11,07	32260,87,15

SCHEDULE 17: SIGNIFICANT ACCOUNTING POLICIES FOR THE FY 2025-26

1. BASIS OF PREPARATION:

The financial statements have been prepared on historical cost basis and conform, in all material aspects, to Generally Accepted Accounting Principles (GAAP) in India unless otherwise stated encompassing applicable statutory provisions, regulatory norms prescribed by the Reserve Bank of India (RBI), circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time, as per third schedule of Banking Regulation Act 1949, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and prevailing practices in banking industry in India.

In respect of foreign offices, statutory provisions and practices prevailing in respective foreign countries are complied with except as specified elsewhere.

The financial statements have been prepared on going concern basis with accrual concept and in accordance with the accounting policies and practices consistently followed unless otherwise stated.

2. USE OF ESTIMATES:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

Future results could differ from these estimates. Difference between the actual results and estimates is recognized in the period in which the results are known / materialized.

Any revision to the accounting estimates is recognized prospectively in the current and future periods unless otherwise stated.

3. REVENUE RECOGNITION:

3.1 Income & expenditure (other than items referred to in paragraph 3.2 & 3.5) are generally accounted for on accrual basis.

3.2 Income from Non-Performing Assets (NPAs), comprising of advances and investments, is recognized upon realization, as per the prudential norms prescribed by the RBI/ respective country regulators in the case of foreign offices (hereafter collectively referred to as Regulatory Authorities).

3.3 Mode of appropriation of recovery in order of priority will be as below:

(a) Appropriation of Recoveries in NPA accounts (irrespective of the mode / status / stage of recovery actions) shall be regulated in the following order of priority:

i. Expenditure/Out of Pocket Expenses incurred for Recovery (earlier recorded in Memorandum Dues);

ii. Thereafter towards the interest irregularities / accrued interest.

iii. Principal irregularities, i.e., NPA outstanding in the account.

iv. Penal Charges

In case of borrowers who are having multiple accounts - On receiving recovery in one account, system appropriates recovery towards Expenditure, Interest, Principal and penal charges. Further, surplus recovery amount, if any, is appropriated towards Expenditure, Interest, Principal and penal charges of another account for same customer.

(b) However, in case of Compromise, Resolution/ Settlement through NCLT, Technically Written Off (TWO) & Credits received on account of CGTMSE / ECGC / GECL / CGFMU and subsidy if any, shall be appropriated in the order of Principal, Expenditure / out of pocket expenses incurred for recovery (earlier recorded in Memorandum Dues), Interest and penal charges.

(c) In case of suit filed/decreed accounts, recovery is appropriated as under:

- i. As per the directives of the concerned Court.
- ii. In the absence of specific directives from the Court, as mentioned at point (a) above.

Any exceptions to the above may be considered by HOCAC-III (for proposals falling under the powers of various committees upto HOCAC-III) & Management Committee / Board for proposals under their vested powers.

3.4 The sale of NPA is accounted as per guidelines prescribed by RBI and as disclosed under Para 5.3.

3.5 Commission (excluding on Government Business, Insurance Business, Mutual Fund Business, Letter of Credit and Bank Guarantee), Royalty from group entities and other such alike incomes such as Management Service Agreement (MSA) fee receivable, exchange, locker rent, Income on Rupee Derivatives designated as 'Trading' and Income from units of mutual funds, alternative investment funds & other such pooled/ collective investment funds are accounted for on realization and insurance claims are accounted for on settlement. Interest on overdue inland bills is accounted for on realization and interest on overdue foreign bill, till its crystallization is accounted for on crystallization and thereafter on realization.

3.6 In case of suit filed accounts, related legal and other expenses incurred are charged to Profit & Loss Account and on recovery, the same are accounted for as such.

3.7 Income from interest on refund of income tax is accounted for in the year the order is passed by the concerned authority.

3.8 Lease payments including cost escalation for assets taken on operating lease are recognized in the Profit and Loss Account over the lease term in accordance with the AS 19 (Leases) issued by ICAI.

3.9 Provision for outstanding Reward Points on Credit cards is made based on the actuarial estimates.

3.10 If Term Deposit (TD) matures and proceeds are unpaid, the amount left unclaimed with the Bank attracts rate of interest as applicable to savings account or the contracted rate of interest on the matured TD, whichever is lower.

3.11 Bank recognizes dividend income on accrual basis for shares of corporate bodies provided dividend has been declared by the corporate body in its Annual General Meeting and the owner's right to receive payment is established. Dividend income on equity investments held under AFS is also recognised in the Profit and Loss Account.

4. INVESTMENTS:

4.1 As soon as the deal is entered into (whether settled or not) necessary vouchers are passed. For the equity deals, transaction vouchers are passed on the deal date and for other deals, contra vouchers are passed on deal date and transaction vouchers in securities are passed on the date of settlement.

4.2 Investments are classified into six categories as stipulated in Third Schedule to the Banking Regulation Act, 1949 (Form A- Schedule 8- Investment).

4.3 Entire investment portfolio (except investments in own subsidiaries, joint ventures and associates) has been classified under three categories, viz., Held to Maturity (HTM), Available for Sale (AFS) and Fair Value through Profit and Loss (FVTPL). Held for Trading (HFT) is a separate investment subcategory within FVTPL. The category of the investment is decided before or at the time of acquisition.

(a) HTM: Securities fulfilling the following conditions are classified under HTM:

- (i) The security acquired with the intention and objective of holding it to maturity, i.e., the financial assets are held with an objective to collect the contractual cash flows; and
- (ii) The contractual terms of the security give rise to cash flows that are solely payments of principal and interest on principal outstanding (SPPI criterion) on specified dates.

(b) AFS: Securities fulfilling the following conditions are classified under AFS:

- (i) The security acquired with an objective that is achieved by both collecting contractual cash flows and selling securities; and
- (ii) The contractual terms of the security meet the 'SPPI criterion'.
- (iii) Equity shares where, at initial recognition, the irrevocable option to classify in AFS has been exercised.

(iv) AFS securities also include debt securities held for asset liability management (ALM) purposes that meet the SPPI criterion where the Bank's intent is flexible with respect to holding to maturity or selling before maturity.

(c) FVTPL: Securities that do not qualify for inclusion in HTM or AFS are classified under FVTPL. These inter-alia include:

(i) Equity shares, other than (a) equity shares of subsidiaries, associates or joint ventures and (b) equity shares classified under AFS.

(ii) Investments in Mutual Funds, Alternative Investment Funds, Real Estate Investment Trusts, Infrastructure Investment Trusts, etc.

(iii) Investment in securitisation notes which do not meet SPPI criterion.

(iv) Bonds, debentures, etc. where the payment is linked to the movement in a particular index such as an equity index rather than an interest rate benchmark.

HFT: Separate sub-category called HFT is created within FVTPL and it consists of all instruments set out in the following -

- short-term resale;
- profiting from short-term price movements;
- locking in arbitrage profits; or
- hedging risks that arise from instruments meeting above.
- instruments that would give rise to a net short credit or equity position in the banking book.
- Any financial instrument when there is no legal impediment against selling or fully hedging it.

4.4 Investments in Subsidiaries, Associates and Joint Ventures

All investments in subsidiaries, associates and joint ventures are held in a distinct category separate from the other investment categories.

4.5 In case of Reclassification of investments from one category to another category, the accounting treatment is as given in the table below:

S. No.	From	To	Accounting Treatment
a.	HTM	AFS	The fair value measured at the reclassification date is the revised carrying value. Any gain or loss arising from a difference between the revised carrying value and the previous carrying value is recognized in AFS-Reserve.
b.		FVTPL	The fair value measured at the reclassification date is the revised carrying value. Any gain or loss arising from a difference between the revised carrying value and previous carrying value of the investments is recognised in the Profit and Loss Account under Item (III): 'Profit on revaluation of investments' under Schedule 14: 'Other Income'.
c.	AFS	HTM	The investments are reclassified at its fair value at the reclassification date. However, the cumulative gain/loss previously recognised in the AFS-Reserve is withdrawn and adjusted against the fair value of the investments at the reclassification date to arrive at the revised carrying value.
d.		FVTPL	The investments are continuing to be measured at fair value. The cumulative gain or loss previously recognised in AFS Reserve is withdrawn and recognised in the Profit and Loss Account, under Item (III): 'Profit on revaluation of investments' under Schedule 14: 'Other Income'.
e.	FVTPL	HTM	The carrying amount representing the fair value at the reclassification date remains unchanged.
f.		AFS	

The reclassification is applied prospectively from reclassification date and details of such reclassification including the reclassification adjustments is provided as disclosure in the notes to the financial statements, if the case persists.

4.6 In determining acquisition cost of an investment

- (a) Brokerage, commission, Securities Transaction Tax (STT) etc. paid in connection

with acquisition of securities are treated as revenue expenses upfront and excluded from cost.

- (b) Interest accrued up to the date of acquisition/sale of securities i.e. broken-period interest is excluded from the acquisition cost/sale consideration and the same is accounted as interest accrued but not due.
- (c) Cost is determined on the weighted average cost method for all categories of investments.
- (d) All investments are measured at fair value on initial recognition. Unless facts and circumstances suggest that the fair value is materially different from the acquisition cost, it is presumed that the acquisition cost is the fair value. In other cases, following treatment is done:
- Where the securities are quoted or the fair value is determined based on market observable inputs (such as yield curve, credit spread, etc.) any Day 1 gain/ loss is recognised in the Profit and Loss Account, under Schedule 14: 'Other Income' within the subhead 'Profit on revaluation of investments' or 'Loss on revaluation of investments'.
 - Any Day 1 loss arising from Level 3 investments is recognised immediately.
 - Any Day 1 gains arising from Level 3 investments is deferred. In the case of debt instruments, the Day 1 gain is amortized on a straight-line basis up to the maturity date (or earliest call date for perpetual instruments), while for unquoted equity instruments, the gain is set aside as a liability until the security is listed or derecognised.

4.7 Investments are valued as per RBI/ FIMMDA guidelines, on the following basis:

I. Held to Maturity

Securities held in HTM are carried at cost and are not marked to market (MTM) after initial recognition.

II. AFS

The securities held in AFS are fair valued on daily basis. The valuation gains and losses across all performing investments, irrespective of classification (i.e., Government securities, Other approved securities, Bonds and Debentures, etc.), held under AFS are aggregated and net appreciation or depreciation, is directly credited or debited to AFS Reserve without routing through the Profit and Loss account.

III. FVTPL

The securities held in FVTPL are fair valued and the net gain or loss arising on such valuation is credited or debited to the Profit and Loss Account. Out of above, Securities that are classified under the HFT sub-category within FVTPL are fair valued on daily basis and other securities under FVTPL on daily basis.

IV. Investments in Subsidiaries, Associates and Joint Ventures

All investments (i.e., including debt and equity) in subsidiaries, associates and joint ventures are held at acquisition cost. Investments in subsidiaries, associates or joint ventures are evaluated for impairment on quarterly basis and if required, on more frequent basis. In case of impairment, valuation of the investment is being done by an independent registered valuer and provision for impairment is made from Profit and Loss Account. It can be subsequently reversed through Profit and Loss Account, if there is a reversal of the diminution.

V. Amortization/ Accretion

Any discount or premium on the acquisition of debt securities in HTM/ AFS/ FVTPL/ Subsidiaries, Associates and Joint Ventures category is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a

contra in Schedule 8: 'Investments'. For amortization and accretion of investments, the Bank continues to follow the 'straight line method'.

Fair Value of Investments:

To increase consistency and comparability in fair value measurements and related disclosures, the investment portfolio is categorized into three fair value hierarchies, viz., Level 1, Level 2, and Level 3 as defined below:

Level 1 - in the context of inputs used for valuation of a financial instrument are those inputs which are quoted prices (unadjusted) in active markets for identical instruments that a bank can access at the measurement date. In reference to the valuation of an instrument, it refers to a valuation that is substantively based on Level 1 inputs and does not have any significant Level 2 or Level 3 inputs.

Level 2 - in the context of inputs used for valuation of a financial instrument are those inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly. In reference to the valuation of an instrument, it refers to a valuation that is based on Level 1 and Level 2 inputs and does not have any significant Level 3 inputs.

Level 3 - in the context of inputs used for valuation of a financial instrument are unobservable inputs. In reference to the valuation of an instrument, it refers to a valuation in which there is a significant Level 3 input.

The fair value for the purpose of initial recognition and periodical valuation of Investments is determined as per table below:

(a)	Quoted Securities	The fair value for the quoted securities are the prices declared by the Financial Benchmarks India Private Ltd. (FBIL). For securities whose prices are not published by FBIL, the fair value of the quoted security is based upon quoted price as available from the trades/quotes on recognised stock exchanges, reporting platforms or trading platforms authorized by RBI/SEBI or prices declared by the Fixed Income Money Market and Derivatives Association of India (FIMMDA).
(b)	Unquoted SLR Securities	(i) Treasury Bills are valued at carrying cost. (ii) Unquoted Central / State Government securities are valued on the basis of the prices/ YTM rates published by FBIL. (iii) Other approved securities are valued by applying YTM method by marking them up by 25 basis points above the yields of the Central Government Securities of equivalent maturity put out by FBIL.
(c)	Unquoted Non-SLR Securities	Unquoted debentures and bonds are valued by applying the appropriate mark-up over the YTM rates for Central Government Securities as put out by FBIL/FIMMDA.
(d)	Ujjwal DISCOM Assurance Yojana (UDAY) bonds and bonds issued by state distribution companies (DISCOMs)	(i) UDAY bonds are valued on basis of prices/yields published by FBIL. (ii) State government guaranteed bonds issued and serviced by DISCOM are valued by applying a mark-up of 75 basis points on YTM rates for Central Government securities of equivalent maturities as published by FBIL. (iii) Other bonds issued and serviced by DISCOMs are valued by applying a mark-up of 100 basis points on YTM rates for Central Government Securities of equivalent maturities published by FBIL. (iv) Bonds issued and serviced by the State Government are valued by applying a mark-up of 50 basis points on YTM rates for Central Government Securities of equivalent maturities as published by FBIL.

(e)	Special securities	Special securities issued by Government of India but do not carry SLR status are valued at a spread of 25 basis points above the corresponding yield on Central Government securities of equivalent maturity.
(f)	Zero coupon bonds (ZCBs)	In the absence of market value, the ZCBs are marked to market with reference to the present value of the ZCB. The fair value so determined is compared with the carrying cost to determine valuation gain or loss.
(g)	Preference Shares	Quoted: If traded on exchange within 15 days prior to the valuation date, the value is not taken higher than the price at which the share was traded. Unquoted: On YTM basis with appropriate mark-up over the YTM rates for Central Government Securities of equivalent maturity put out by FBIL subject to ceiling of redemption value of such preference shares.
(h)	Equity shares	For equity shares which are classified as illiquid or not listed on a recognised exchange, the fair value considered is break-up value (without considering 'revaluation reserves', if any) and the same is ascertained from the company's latest audited balance sheet. In case, the latest audited balance sheet is not available or is more than 18 months old, the shares are valued at ₹ 1 per company.
(i)	Mutual Funds Units (MF Units)	(a) Investment in un-quoted MF units are valued on the basis of the latest repurchase price declared by the MF in respect of each scheme. (b) In case of funds with a lock-in period or where repurchase price/ market quote is not available, units are valued at Net Asset Value (NAV) of the scheme. If NAV is not available, these are valued at cost, till the end of the lock-in period.
(j)	CD/ CP	Certificate of Deposits or Commercial paper is valued at the carrying cost.

(k)	Security receipts (SRs) and other instruments issued by Asset Re-construction Company (ARC)	Investments by lenders in SRs (Security Receipts) / other securities issued by ARCs (Asset Reconstruction Companies) are valued periodically by reckoning the Net Asset Value (NAV) declared by the ARC based on the recovery ratings received for such instruments. If the Bank invests in the SRs / PTCs issued by ARCs in respect of the stressed loans transferred by them to the ARC, the Bank carries the investment in books on ongoing basis, until its transfer or realization, at lower of the redemption value of SRs arrived based on the NAV and the NBV of the transferred stressed loan at the time of transfer. If the investment by the transferor (Bank) in SRs issued against loans transferred by it is more than 10 percent of all SRs issued against the transferred asset, then the valuation of the SRs on the books of the transferor is the lower of the following: i) Net Asset Value (NAV) declared by the ARC based on the recovery ratings received for such instruments; and ii) Face value of the SRs reduced by the notional provisioning rate applicable if the loans had continued on the books of the Bank. Further, Security Receipts guaranteed by the Government of India are valued quarterly by reckoning the Net Asset Value (NAV) declared by the ARC. However, security receipts outstanding after the final settlement of the government guarantee or the expiry of the guarantee period, whichever is earlier, is valued at ₹1.
(l)	Investment in Alternative Investment Funds (AIFs)	If Quoted, as per market price. Unquoted instruments of AIFs are valued at the NAV as disclosed by the AIF. Where an AIF fails to carry out and disclose the valuation of its investments, the value of its units is treated as ₹1.
(m)	Venture Capital Funds	At net asset value (NAV) declared by the VCF
(n)	Other Investments	At carrying cost less diminution in value

4.8 When principal and/or interest are converted into equity, debentures, bonds, etc., such instruments are categorised in HTM, AFS or FVTPL (including HFT) at the time of initial recognition. Further, the asset classification of such instruments are same as the loan and provision are made as per the relevant norms.

4.9 Accounting Treatment on sale/ maturity of investments:

I. HTM: Any profit or loss on the sale of investments in HTM is being recognised in the Profit and Loss Account under Item II of Schedule 14: 'Other Income'. The profit on sale of an investment in HTM is appropriated from the Profit and Loss Account to the 'Capital Reserve Account'. The amount so appropriated will be net of taxes and the amount to be transferred to Statutory Reserve.

II. AFS:

a. In the case of equity instruments designated under AFS at the time of initial recognition, any gain or loss on sale of such investments is transferred from AFS-Reserve to the Capital Reserve.

b. On sale or maturity of a debt instrument in AFS category, the accumulated gain/ loss for that security in the AFS-Reserve is transferred from the AFS Reserve and recognized in the Profit and Loss Account under item II Profit on sale of investments under Schedule 14-Other Income.

III. FVTPL: Any profit or loss on the sale is recognised directly through Profit and Loss Account including HFT securities.

IV. Subsidiaries, Associates and Joint Ventures: Any gain/ profit arising on the reclassification/ sale of an investment in a subsidiary, associate or joint venture is first

recognised in the Profit and Loss Account and then appropriated from the Profit and Loss Account to the 'Capital Reserve Account'. The amount so appropriated will be net of taxes and the amount to be transferred to Statutory Reserves.

All other guidelines of Reserve Bank of India (Commercial Banks - Classification, Valuation, and Operation of Investment Portfolio) Directions, 2025 dated November 28, 2025, and other subsequent guidelines/clarifications are adhered to.

4.10 Securities repurchased/resold under buy back arrangement are accounted for at original cost.

4.11 Investments are subject to appropriate provisioning/ de-recognition of income, in line with the prudential norms of Reserve Bank of India for NPI classification. Once an investment is classified as an NPI, it is segregated from rest of the portfolio and not considered for netting valuation gains and losses.

If any credit facility availed by an entity is NPA in the books of the Bank, investment in any of the securities issued by the same entity is also treated as NPI and vice versa. However, in respect of NPI preference share where the dividend is not paid, the corresponding credit facility is not treated as NPA.

In case of securities, i.e., bonds, debentures, etc. the provision is made as higher of the following amounts -

- (i) The amount of provision required as per IRACP norms computed on the carrying value of the investment immediately before it was classified as NPI; and
- (ii) The depreciation on the investment with reference to its carrying value on the date of classification as NPI.

Upon an account being upgraded as per IRACP norms, any provision previously recognised is reversed and symmetric recognition of MTM gains and losses will be resumed.

In the case of investment in the unquoted shares of any company which are valued at ₹1 per company on account of the non-availability of the latest balance sheet, those equity shares are reckoned as NPI. The NPI may be upgraded subsequently on receipt of audited balance sheet.

Provisions for investments classified under AFS (Available for Sale) are managed as follows:

- When there are cumulative gains in the AFS-Reserve, the required provision may be created by charging the AFS-Reserve up to the amount of these gains.
- When there are cumulative losses in the AFS-Reserve, these losses are transferred from the AFS-Reserve to the Profit and Loss Account.

4.12 Securities sold or purchased with an agreement to repurchase or resell under Repo or Reverse Repo transactions, including those under the Liquidity Adjustment Facility (LAF) with the RBI, shall be recorded as borrowings or lending. Securities sold under Repo agreements remain classified under investments, while securities purchased under Reverse Repo agreements shall not be included in investments. The associated costs and revenues shall be accounted for as interest expenditure or income, respectively.

4.13 The derivative transactions are undertaken for trading or hedging purposes. Trading transactions are marked to market. As per RBI guidelines, different categories of swaps are valued as under:

Hedge Swaps

Interest rate swaps with hedge interest bearing asset or liability are accounted for on accrual basis except the swaps designated with an asset or liability that are carried at lower of market value or cost in the financial statement.

Gain or losses on the termination of swaps are recognized over the shorter of the remaining contractual life of the swap or the remaining life of the asset/ liabilities.

Trading Swaps

Trading swap transactions are marked to market with changes recorded in the financial statements. Exchange Traded Derivatives entered into for trading purposes are valued at prevailing market rates based on rates given by the Exchange and the resultant gains and losses are recognized in the Profit and Loss Account.

4.14 Foreign Currency Options:

Foreign currency options written by the Bank with a back-to-back contract with another bank are not marked to market since there is no market risk.

Premium received is held as a liability and transferred to the Profit and Loss Account on maturity/cancellation.

5. LOANS / ADVANCES AND PROVISIONS THEREON:

5.1 Advances are classified as performing and non-performing assets; provisions are made in accordance with prudential norms prescribed by RBI.

(a) Advances are classified: Standard, Sub Standard, Doubtful and Loss assets borrower wise.

(b) Advances are stated net of specific loan loss provisions, provision for diminution in fair value of restructured advances.

5.2 In respect of foreign offices, the classification of loans and advances and provisions for NPAs are made as per the local regulations or as per the norms of RBI, whichever is more stringent.

Loans and advances held at the overseas branches that are identified as impaired as per host country regulations for reasons other than record of recovery, but which are standard as per the extant RBI guidelines, are classified as NPAs to the extent of amount outstanding in the host country.

5.3 Financial Assets sold are recognized as under:

(a) Prudential norms for the transfer transactions to ARCs:

When the stressed loan is transferred to ARC at a price below the NBV at the time of transfer, the Bank has debited the shortfall to the profit and loss account for the year in which the transfer has taken place. Banks are permitted to use countercyclical or floating provisions for meeting any shortfall on transfer of stressed loan when the transfer is at a price below the NBV.

On the other hand, when the stressed loan is transferred to an ARC for a value higher than the NBV at the time of transfer, lenders shall reverse the excess provision on transfer to the profit and loss account in the year the amounts are received and only when the sum of cash received by way of initial consideration and / or redemption or transfer of Security Receipts (SR) / Pass Through Certificates (PTCs)/ other securities issued by ARCs is higher than the NBV of the loan at the time of transfer. Further, such reversals are limited to the extent to which cash received exceeds the NBV of the loan at the time of transfer.

As per RBI/DOR/2025-26/159 DOR.STR. REC.No.78/21.04.048/2025-26 dated November 28, 2025, with a view to adopting

- a differentiated approach in respect of SRs guaranteed by the Government of India, the prudential treatment relating to valuation of such SRs is such that if a loan is transferred to an ARC for a value higher than the net book value (NBV), the excess provision is reversed to the Profit and Loss Account in the year of transfer if the sale consideration comprises only of cash and SRs guaranteed by the Government of India. However, the non-cash component in the form of SRs is deducted from CET 1 capital, and no dividends are paid out of this component.
- (b) Prudential norms for the transfer transactions to transferee(s) other than ARCs - Provisioning norms:
- (i) When the bank transfers its NPAs to transferee(s) other than ARCs, the same are removed from the books on receipt of the entire transfer consideration.
- (ii) If the transfer to transferee(s) other than ARCs is at a price below the net NBV at the time of transfer, the shortfall is debited to the profit and loss account of the year in which transfer has taken place.
- (iii) If the sale consideration is for a value higher than the NBV at the time of transfer, the excess provisions has been reversed.
- (c) The excess amount received, if any, over & above memoranda dues is credited proportionately to the respective heads of Income Interest on Loans and Advances say Income Interest on CC/ Term Loan, etc.
- In case, the excess amount is to be returned subsequently due to, e.g., DRT/ Court orders or any other eventuality, the same head is debited to refund the excess amount recovered.

5.4 Restructured Assets:

For restructured/rescheduled advances, provisions are made in accordance with guidelines issued by RBI from time to time. Provision for diminution in fair value of restructured advances is measured at net present value terms as per RBI guidelines for accounts where total dues to the bank are Rupees One Crores and above. For other accounts, the provision for diminution in fair value is computed notionally at 5% of total exposure to the bank as per RBI guidelines.

- 5.5 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head 'Other Liabilities & Provisions - Others' and are not considered for arriving at the Net NPAs.

- 5.6 Amounts recovered against debts written-off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognized in the profit and loss account.

5.7 Provision for Country Exposure:

In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorized into seven risk categories, namely, insignificant, low, moderately low, moderate, moderately high, high and very high, and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures. The provision is reflected in Schedule 5 of the Balance Sheet under the 'Other Liabilities & Provisions - Others'.

- 5.8 An additional provision of 2% (in addition to country risk provision that is applicable to all overseas exposures) against standard assets representing all exposures to step down subsidiaries of Indian Corporates has been made to cover the additional risk arising from complexity in the structure, location of different intermediary entities in different jurisdictions exposing the Indian Company, and hence the Bank, to a greater political and regulatory risk. (As per RBI Cir. No. RBI/ 2015.16/279 DBR. IBD.BC No. 68/ 23.37.001/ 2015-16 dated 31.12.2015).

5.9 Floating Provision:

The Bank has a policy for creation and utilisation of floating provision. The floating provision, so created can be utilised only for contingencies under extraordinary circumstances specified in the policy after obtaining Bank's Board approval and with prior permission of Reserve Bank of India. Floating provision is netted off from advances to the extent it is not treated as Tier 2 capital.

6. **PROPERTY, PLANT & EQUIPMENT:**

- 6.1 Property, Plant & Equipment are stated at historical cost less accumulated depreciation/amortization, wherever applicable, except those premises, which have been revalued in terms of Bank's policy, i.e., every three years. The appreciation on revaluation is credited to revaluation reserve and incremental depreciation attributable to the revalued amount is deducted there from and credited to General reserve.
- 6.2 Software is capitalized and clubbed under Intangible assets.
- 6.3 Cost includes cost of purchase and all expenditure such as site preparation, installation costs and professional fees incurred on the asset till the time of

capitalization. Subsequent expenditure/s incurred on the assets are capitalized only when it increases the future benefits from such assets or their functioning capability.

6.4 Depreciation:

- A. Depreciation on assets (including land where value is not separable) is provided on straight-line method based on estimated life of the asset, except in respect of computers where it is calculated on the straight-line method, at the rates prescribed by RBI.
- B. Depreciation on assets has been provided at the rates furnished below:

Particulars	Rate of Depreciation
PREMISES	
Freehold Properties	
Land	NIL
Depreciation to be provided on Construction Cost where the land cost is segregated and on total cost where the land cost is not ascertainable and cannot be segregated	2.50% (40 years Straight Line Method or remaining life whichever is lower)
Land acquired on perpetual lease where no lease period is mentioned	NIL
Land acquired on lease where lease period is mentioned	Over lease period
Building	
Constructed on free hold land and on leased land, where lease period is above 40 years	2.50%
Constructed on leased land where lease period is below 40 years	Over lease period
FIXED ASSETS EXCEPT PREMISES	
Furniture and fixtures- Steel articles	5.00%

Particulars	Rate of Depreciation
Furniture and fixtures-wooden articles	10.00%
Mattresses	20.00%
Mobile Phone Instruments	33.33%
Machinery, electrical, Rooftop Solar System and miscellaneous articles	15.00%
Motor cars and cycles	15.00%
Computers, ATMs and related items, Laptop, I- pad, etc., Servers, Network, Equipment & Automated Teller Machines (Including software forming an integral part of computer hardware)	33.33%
Software (excluding software forming an integral part of computer hardware)	33.33%
Exercise cycle	10.00%
Items of office fixed assets amounting less than Rs. 25,000/- and / or having useful life of less than 12 months from the date of acquisition are recognized as expense (except to staff and items costing more than Rs.1,500/- which can be separately used). Assets costing less than Rs.1,500/- each are depreciated @100% in the year of purchase.	
Cost of Application Software / Operating System / Data base amounting up to Rs. 25,000/- are charged to revenue.	

- C. Depreciation on fresh additions to assets other than Bank's own premises is provided from the day in which the assets are capitalized and in the case of assets sold/disposed-off during the year, up to the date in which it is sold/ disposed-off.
- D. The depreciation on bank's own premises existing at the close of the year is charged for full year. The construction cost is depreciated only when the building is complete in all respects. Where the cost of land and building cannot be separately

ascertained, depreciation is provided on the composite cost, at the rate applicable to buildings.

- E. In respect of leasehold premises, the lease premium, if any, is amortized over the period of lease and the lease rent is charged in the respective year(s).
- F. The Revalued assets are depreciated over the balance useful life of the asset as assessed at the time of revaluation.

7. IMPAIRMENT OF ASSETS:

The carrying costs of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors, an impairment loss is recognized wherever the carrying cost of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, if any, depreciation is provided on the revised carrying cost of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Impairment loss, if any, in respect of non-banking assets acquired in satisfaction of claims is recognized as an expense in the statement of profit and loss immediately and carrying value of Non-Banking Assets is adjusted.

8. EMPLOYMENT BENEFITS:

PROVIDENT FUND:

Provident fund is a defined contribution scheme as the Bank pays fixed contribution at pre-determined rates. The obligation of the Bank is limited to such fixed contribution. The contribution is charged to Profit & Loss A/c.

GRATUITY:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation. The scheme is funded by the Bank and is managed by a separate trust.

PENSION:

Pension liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation. The scheme is funded by the Bank and is managed by a separate trust.

The Bank operates a New Pension Scheme (NPS) for all officers/ employees who have joined the Bank on or after 01.04.2010. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with contribution of 14% of their basic pay plus dearness allowance from the Bank. Pending completion of the registration procedures of the employees concerned, these contributions are retained. The Bank recognizes such annual contributions as an expense in the year to which they relate. Upon the receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS Trust.

COMPENSATED ABSENCES:

Accumulating compensated absences such as Privilege Leave (PL - Superannuation) and Sick Leave (including unavailed casual

leave) are provided for based on actuarial valuation. The scheme for Privilege Leave (PL - Superannuation) is funded by the Bank and is managed by a separate trust.

Privilege Leave (PL) encashment other than superannuation are being paid from Bank expenditure account directly.

OTHER EMPLOYEE BENEFITS:

Other Employee Benefits such as Leave Fare Concession (LFC), Silver Jubilee Award, etc., are provided for based on actuarial valuation.

In respect of overseas branches and offices, the benefits in respect of employees other than those on deputation are accounted for as per laws prevailing in the respective countries.

The valuation method used for defined benefit obligations for employee benefits is 'Projected Unit Credit Method'.

9. TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS & BALANCES:

Transactions involving foreign exchange are accounted for in accordance with AS 11, 'The Effect of Changes in Foreign Exchange Rates'.

- 9.1 All monetary assets and liabilities, guarantees, acceptances, endorsements and other obligations are translated in Indian Rupee equivalent at the exchange rates prevailing as on the Balance Sheet date as per Foreign Exchange Dealers' Association of India (FEDAI) guidelines.
- 9.2 Non-monetary items other than fixed assets which are carried at historical cost are translated at exchange rate prevailing on the date of transaction.
- 9.3 Outstanding Foreign Exchange Spot and Forward contracts are translated as on the Balance Sheet date at the rates notified

by FEDAI and the resultant gain/loss on translation is taken to Profit & Loss Account.

Funding Swaps that are outstanding on the Balance Sheet date is out of purview of FEDAI revaluation guidelines. The premium or discount arising at the inception of such a forward exchange contract is amortized as interest expense or income over the life of the contract.

- 9.4 Income and expenditure items are accounted for at the exchange rate prevailing on the date of transaction.

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognized as income or as expense in the period in which they arise.

Gains/Losses on account of changes in exchange rates of open position in currency futures trades are settled with the exchange clearing house on daily basis and such gains/losses are recognized in the Profit and Loss Account.

- 9.5 Offices outside India / Offshore Banking Units:
- (i) Operations of foreign branches and off shore banking unit are classified as 'Non-integral foreign operations' and operations of representative offices abroad are classified as 'integral foreign operations'.
 - (ii) Foreign currency transactions of integral foreign operations and non-integral foreign operations are accounted for as prescribed by AS-11.
 - (iii) Exchange Fluctuation resulting into Profit / loss of non-integral operations is credited /debited to Exchange Fluctuation Reserve.

10. TAXES ON INCOME

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The current tax expense and deferred tax expense are determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 - Accounting for Taxes on Income respectively after taking into account taxes paid at the foreign offices, which are based on the tax laws of respective jurisdictions.

Deferred Tax adjustments comprise of changes in the deferred tax assets or liabilities during the year. Deferred tax assets and liabilities are recognized by considering the impact of timing differences between taxable income and accounting income for the current year and carry forward losses. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. The impact of changes in deferred tax assets and liabilities is recognized in the profit and loss account. Deferred tax assets are recognized and re-assessed at each reporting date, based upon management's judgment as to whether their realization is considered as reasonably/virtually certain.

11. EARNINGS PER SHARE:

The Bank reports basic and diluted earnings per share in accordance with AS 20 - 'Earnings per Share' issued by the ICAI. Basic Earnings per Share is computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

Diluted Earnings per Share reflects the potential dilution that could occur if securities or other contracts to issue equity

shares were exercised or converted during the year. Diluted Earnings per Share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding.

12. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

In conformity with AS 29, 'Provisions, Contingent Liabilities and Contingent Assets', issued by the Institute of Chartered Accountants of India, the Bank recognizes provisions only when it has a present obligation as a result of a past event, and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

A Contingent Liability is a potential liability, in terms of money, which may arise depending on the outcome of an uncertain specific event. A possible obligation which may or may not arise depending on how a future event unfolds has been recognized as Contingent Liability.

Further, the cases which although have been filed against the Bank, but possibility of any obligation arising upon the Bank in those case is remote, have not been construed and included in Contingent Liability.

Contingent Assets are not recognized in the financial statements.

13. BULLION TRANSACTIONS:

The Bank imports bullion including precious metal bars on a consignment basis for selling to its customers. The imports are typically on a back-to-back basis and are priced to the customer based on price quoted by the supplier. The Bank earns a fee on such bullion transactions.

The fee is classified under commission income. The Bank also accepts deposits and lends gold, which is treated as deposits/advances as the case may be with the interest paid / received classified as interest expense/income.

14. SEGMENT REPORTING:

The Bank recognizes the Business segment as the Primary reporting segment and Geographical segment as the Secondary reporting segment, in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 issued by ICAI.

15. The Bank, in accordance with RBI Circular FIDD.CO.Plan.BC.23/ 04.09.01/ 2015-16 dated April 7, 2016, trades in Priority Sector portfolio by selling or buying PSLC. There is no transfer of risks or loan assets in these transactions. The fee paid for purchase of the PSLC is treated as an 'Expense' and the Fee received from sale of PSLCs is treated as 'Other Income'.

16. CASH & CASH EQUIVALENTS

Cash and cash equivalents include:

- a) Cash and Balances with RBI, Balances with Bank and money at call and short notice.
- b) The balances in Reverse Repo are reported as per the guidelines provided by RBI (i.e., under schedule 6, schedule 7 and schedule 9, as applicable). The balance held by the Bank under Standing Deposit Facility (SDF) is also reported similarly.

SCHEDULE 18: NOTES TO
ACCOUNTS (STANDALONE) -
31.03.2026

1. REGULATORY CAPITAL

1.a Composition of Regulatory Capital

(₹ in Crore)			
Sr. No.	Particulars	Current Year	Previous Year
i)	Common Equity Tier 1 Capital (CET 1) (Net of deductions)	1,22,808.70	1,02,015.99
ii)	Additional Tier 1 capital	13,790.71	14,218.91
iii)	Tier 1 capital (i + ii)	1,36,599.41	1,16,234.90
iv)	Tier 2 capital	23,297.65	24,520.01
v)	Total capital (Tier 1+Tier 2)	1,59,897.06	1,40,754.91
vi)	Total Risk Weighted Assets (RWAs)	9,01,547.10	8,27,667.51
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)	13.62%	12.33%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	15.15%	14.05%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	2.59%	2.96%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	17.74%	17.01%
xi)	Leverage Ratio	6.41%	6.01%
xii)	Percentage of the shareholding of Government of India	70.08%	70.08%
xiii)	Amount of paid-up equity capital raised during the year	0.00	96.39 (Total capital raised ₹5,000 Crores)

Sr. No.	Particulars	Current Year	Previous Year
xiv)	Amount of non-equity Tier 1 capital raised during the year, of which:	-	Nil
	a) Basel III compliant Perpetual Non-Cumulative Preference Shares	-	Nil
	b) Basel III compliant Perpetual Debt Instruments	-	Nil
xv)	Amount of Tier 2 capital raised during the year of which Basel III compliant:	-	3,000.00
	a) Debt Capital Instruments as Tier 2 Capital	-	3,000.00
	b) Perpetual Cumulative Preference Shares	-	Nil
	c) Redeemable Non-Cumulative Preference Shares	-	Nil
	d) Redeemable Cumulative Preference Shares	-	Nil

Note-1: RBI vide circular no. DORCAP.REC.70/21.01.002/2025-26 dated November 28, 2025, has given discretion to banks to consider Revaluation Reserve, Foreign Currency Translation Reserve and Deferred Tax Asset for purpose of computation of Capital Adequacy as CET-1 capital ratio. The Bank has exercised the option in the above computation.

Note-2: RBI vide circular No. DORCRE.REC.333/07-03-001/2025-26 dated December 4, 2025, Eligible Capital Base means the effective amount of Tier 1 Capital.

1.b Draw Down from Reserves

(₹ in Crore)				
Sr. No.	Reserves	Amount drawn		Purpose
		Current Year	Previous Year	
1.	Exchange Fluctuation Reserve	4.83	2.22	Translation of overseas assets and liabilities.
2.	Investment Reserve	0.00	386.35	-

2. ASSET LIABILITY MANAGEMENT

2.a Maturity Pattern of Certain Items of Assets and Liabilities

Current FY 2025-26						(₹ in Crore)
Maturity period	Deposits	Advances	Investments (Gross)	Borrowings	Foreign Currency Assets	Foreign Currency Liabilities
Day 1	18,398.00	4,459.49	-	15.33	13,139.40	1,382.26
2 to 7 days	40,475.00	8,839.69	1,048.24	4,669.78	9,385.72	6,185.68
8 to 14 days	26,069.00	20,192.85	3,084.96	-	6,860.78	6,266.40
15 to 30 Days	44,851.00	67,839.41	3,961.49	13,152.00	11,962.91	13,140.41
31 days to 2 months	55,072.00	66,517.82	8,878.63	853.52	13,442.19	9,547.71
Over 2 months and up to 3 months	63,459.00	58,704.23	4,068.32	485.87	7,806.21	7,933.25
Over 3 months and up to 6 Months	1,26,178.00	78,186.54	9,115.26	1,866.81	14,871.79	16,033.60
Over 6 months and up to 1 year	2,38,793.00	97,076.39	16,670.53	16,327.97	15,215.40	17,836.50
Over 1 year and up to 3 years	1,86,663.00	4,71,092.10	68,262.74	12,597.71	27,790.07	11,139.47
Over 3 years and up to 5 years	4,72,951.00	1,38,334.77	101,049.61	1,598.49	17,462.26	188.75
Over 5 years	4,38,217.00	2,14,049.01	281,242.62	30,738.91	3,407.17	3,360.04
Total	17,11,126.00	12,25,292.30	497,382.40	82,314.32	141,343.90	93,014.07

Previous FY 2024-25						(₹ in Crore)
Maturity period	Deposits	Advances	Investments (Gross)	Borrowings	Foreign Currency Assets*	Foreign Currency Liabilities*
Day 1	19,966.21	3,947.30	-	0.57	12,690.29	1,519.33
2 to 7 days	40,470.55	30,398.33	1,449.58	33,767.65	10,674.02	3,483.05
8 to 14 days	24,437.41	21,203.09	2,141.95	99.38	5,368.52	4,506.41
15 to 30 Days	34,351.71	38,156.20	3,760.44	2,581.35	10,818.88	14,113.90
31 days to 2 months	56,447.79	53,121.68	9,575.06	954.19	8,869.05	10,056.21
Over 2 months and up to 3 months	57,287.65	78,045.50	4,130.08	693.23	8,341.90	7,455.51
Over 3 months and up to 6 Months	93,834.64	84,038.86	11,098.10	2,108.64	16,059.63	19,434.38
Over 6 months and up to 1 year	2,19,771.22	87,859.70	17,459.74	2,733.96	12,032.30	5,154.74
Over 1 year and up to 3 years	1,79,534.98	3,63,463.01	56,183.86	4,725.18	15,674.57	5,200.05
Over 3 years and up to 5 years	4,39,506.46	1,16,556.79	83,254.09	2,379.46	10,608.12	993.63
Over 5 years	4,01,014.66	2,00,684.11	313,623.35	33,733.11	2,727.55	2,758.63
Total	15,66,623.28	10,77,474.57	502,676.25	83,776.72	1,13,864.83	74,675.84

*The figures of 31.03.2025 has been reinstated.

2.b Liquidity Coverage Ratio (LCR)

Qualitative Disclosure On Liquidity Coverage Ratio

The bank has implemented RBI guidelines on Liquidity Coverage Ratio (LCR) from 1st January 2015. The LCR standard aims to ensure that a bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be readily converted into cash at little/no loss of value to meet its liquidity needs for a 30-calendar daytime horizon under a liquidity stress scenario.

LCR has two components:

- i. The value of the stock of High-Quality Liquid Assets (HQLA)-The Numerator.
- ii. Total Net Cash Outflows: Total expected cash outflows minus Total expected cash inflows, in stress scenario, for the subsequent 30 calendar days - The denominator.

Definition of LCR:

Stock of high-quality liquid assets (HQLAs)	≥ 100% (w.e.f. 01.04.2021)
Total net cash outflows over the next 30 calendar days	

The LCR requirement has become binding on the banks with the following minimum required level as per the timeline given below:

	Jan 1, 2015	Jan 1, 2016	Jan 1, 2017	Jan 1, 2018	Jan 1, 2019
Minimum LCR	60%	70%	80%	90%	100%

For Q4 FY'2025-26, the daily average LCR was 125.76% (based on simple average of daily observations) at consolidated level, as against the regulatory requirement of 100%.

The main drivers of LCR of the bank are High Quality Liquid Assets (HQLAs) to

meet liquidity needs of the bank at all times and basic funding from retail and small business customers. The retail and small business customers contribute about 62.78% of total deposit portfolio of the bank, which attracts low run-off factor of 5/10% as on 31.03.2026.

Composition of High-Quality Liquid Assets (HQLA)

HQLAs comprises of Level 1 and Level 2 assets. Level 2 assets are further divided into Level 2A and Level 2B assets, keeping in view their marketability and price volatility.

Level-1 assets are those assets which are highly liquid. For the Year ended March 31, 2026, the Level-1 asset of the bank includes Cash in Hand, Excess CRR, Government Securities in excess of minimum SLR, Marketable securities issued or guaranteed by foreign sovereign, MSF and FALLCR totalling to ₹3,38,685.50 Cr (based on simple average of daily data points.)

Level-2A & 2B assets are those assets which are less liquid, and their weighted amount comes to ₹6,385.20 Cr (based on simple average of daily observations). Break-up of daily observation Average HQLA during the year ended March 31, 2026 is given hereunder:

High Quality Liquid Assets (HQLAs)	Average % age contribution to HQLA
Level 1 Assets	
Cash in hand	3.15%
Excess CRR balance	0.59%
Government Securities in excess of minimum SLR requirement	11.53%
Government securities within the mandatory SLR requirement, to the extent allowed by RBI under MSF (presently to the extent of 2 per cent of NDTL)	9.09%

High Quality Liquid Assets (HQLAs)	Average % age contribution to HQLA
Marketable securities issued or guaranteed by foreign sovereigns having 0% risk-weight under Basel II Standardized Approach	1.11%
Facility to avail Liquidity for Liquidity Coverage Ratio - FALLCR (Presently to the extent of 16 per cent of NDTL)	72.69%
Total Level 1 Assets	98.15%
Total Level 2A Assets	1.78%
Total Level 2B Assets	0.07%
Total Stock of HQLAs	100%

Concentration of Funding Sources

This metric includes those sources of funding, whose withdrawal could trigger liquidity risks. It aims to address the funding concentration of bank by monitoring its funding requirement from each significant counterparty and each significant product/ instrument. As per RBI guidelines, a "significant counterparty/ Instrument/ product" is defined as a single counterparty/ Instrument/ product or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the bank's total liabilities.

The bank has no significant counterparty (deposits/borrowings) as at 31.03.2026. Top 20 depositors of the bank constitute 4.45% of bank's total Deposit as on March 31, 2026. The significant product/ instrument includes Saving Fund, Current deposit and Core Term Deposit the funding from which are widely spread and cannot create concentration risk for the bank.

Derivative exposure

The bank has low exposure in derivatives having negligible impact on its liquidity position.

Currency Mismatch

As per RBI guidelines, a currency is considered as "significant" if the aggregate liabilities denominated in that currency amount to 5 per cent or more of the bank's total liabilities. In our case, only USD (15.67% of bank's total liabilities) falls in this criteria whose impact on total outflows in LCR horizon can be managed easily as the impact is not large considering the size of balance sheet of the bank.

Degree of centralization of liquidity management and interaction between group's units

Punjab National Bank (PNB) has established a Group Risk Management Philosophy and Policy that serves as a guiding framework for all its group entities. This policy is central to how the bank manages risks across the entire group.

At the group level, PNB maintains a zero-tolerance stance toward defaulting on payment obligations. To uphold this commitment, the bank ensures that it holds an adequate liquidity buffer capable of withstanding potential liquidity crises.

PNB also adheres to regulatory standards by maintaining both the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) at a consolidated level, encompassing the bank and its subsidiaries, in line with its defined risk appetite.

While each group entity is responsible for managing its own liquidity independently, PNB has implemented a Group-wide Contingency Funding Plan. This plan is designed to address liquidity needs across the group during periods of financial stress, ensuring coordinated support and resilience.

Quantitative Disclosure on Liquidity Coverage Ratio

(₹ in Crore)

LCR COMPONENTS		QE March 2026		QE December 2025		QE September 2025		QE June 2025		QE March 2025	
		Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*
Based on the simple average of daily observations		68 Data Points		73 Data Points		72 Data Points		66 Data Points		69 Data Points	
1.	Total High Quality Liquid Assets (HQLA)		3,45,065.88		3,47,215.76		3,82,517.62		3,86,062.63		3,53,200.10
Cash Outflows											
2.	Retail deposits and deposits from small business customers of which:	1,056,078.94	99,993.72	10,34,196.89	97,837.09	10,14,192.39	95,995.00	9,86,746.24	93,331.77	9,70,183.69	91,824.73
i)	Stable deposits	1,12,399.80	5,620.53	1,11,650.77	5,582.58	1,08,422.15	5,420.80	1,06,857.06	5,342.85	1,03,872.82	5,193.64
ii)	Less stable deposits	9,43,679.15	94,373.19	9,22,546.12	92,254.51	9,05,770.24	90,574.20	8,79,889.18	87,988.92	8,66,310.87	86,631.09
3.	Unsecured wholesale funding, of which:	378,793.05	222,047.70	3,74,538.59	2,13,683.45	3,65,431.54	2,12,882.11	3,55,793.14	2,07,108.44	3,57,611.47	2,16,653.24
i)	Operational deposits (all counterparties)	-	-	-	-	-	-	-	-	-	-
ii)	Non-operational deposits (all counterparties)	378,793.05	222,047.70	3,74,538.59	2,13,683.45	3,65,431.54	2,12,882.11	3,55,793.14	2,07,108.44	3,57,611.47	2,16,653.24
iii)	Unsecured debt	-	-	-	-	-	-	-	-	-	-
4.	Secured wholesale funding		1,206.04		445.80		152.14		141.49		-
5.	Additional requirements, of which	127,938.64	14,428.15	1,22,354.05	16,558.22	1,07,988.17	15,719.82	1,09,372.49	15,856.31	1,05,959.42	14,700.35
i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-	-	-
ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-
iii)	Credit and liquidity facilities	127,938.64	14,428.15	1,22,354.05	16,558.22	1,07,988.17	15,719.82	1,09,372.49	15,856.31	1,05,959.42	14,700.35
6.	Other contractual funding obligations	19,752.40	19,847.32	20,278.48	20,420.98	20,876.87	21,011.28	21,140.65	21,140.65	17,163.66	17,163.66

LCR COMPONENTS		QE March 2026		QE December 2025		QE September 2025		QE June 2025		QE March 2025	
		Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*
7.	Other contingent funding obligations	1,66,040.51	6,417.69	1,56,770.63	6,035.00	1,40,589.88	5,311.69	1,36,766.07	5,171.08	1,49,087.84	5,817.42
8.	Total Cash Outflows		3,63,941.22		3,54,980.54		3,51,072.03		3,42,749.75		3,46,159.39
Cash Inflows											
9.	Secured lending (e.g. reverse repos)	2,975.77	-	966.59	-	6,921.17	-	9,028.36	-	8,321.23	-
10.	Inflows from fully performing exposures	1,08,822.58	79,275.23	1,11,201.32	80,926.99	99,553.68	70,873.73	97,728.71	67,923.03	1,01,825.61	72,024.07
11.	Other cash inflows	21,833.64	10,284.43	16,288.91	7,455.67	25,163.83	10,201.02	27,239.28	13,478.11	16,344.96	8,638.14
12.	Total Cash Inflows	1,33,631.99	89,559.66	1,28,456.82	88,382.66	1,31,638.68	81,074.75	1,33,996.35	81,401.14	1,26,491.80	80,662.21
Total Adjusted Value											
13.	TOTAL HQLA		345,065.88		3,47,215.76		3,82,517.62		3,86,062.63		3,53,200.10
14.	Total Net Cash Outflows		274,381.56		2,66,597.88		2,69,997.28		2,61,348.61		2,65,497.18
15.	Liquidity Coverage Ratio (%)		125.76%		130.24%		141.67%		147.72%		133.03%

* Simple averages of Daily observations over previous quarter.

2.c Net Stable Funding Ratio (NSFR)

Qualitative Disclosure on Net Stable Funding Ratio

The Net Stable Funding Ratio (NSFR) and Liquidity Coverage Ratio (LCR) are significant components of the Basel III reforms. The LCR guidelines which promote short term resilience of a bank’s liquidity profile have been issued vide circular DOR. LRG.No.82/13-10-001/2025-26, dated November 28, 2025. The NSFR guidelines on the other hand ensure reduction in funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress.

In the Indian context, the guidelines for NSFR were effective from October 1, 2021. The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. “Available stable funding” (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required stable funding") (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet (OBS) exposures. The run-off factors for the stressed scenarios are prescribed by the RBI, for various

categories of liabilities (viz., deposits, unsecured and secured wholesale borrowings), undrawn commitments, derivative-related exposures, and offset with inflows emanating from assets maturing within the same time period. The minimum NSFR requirement set out in the RBI guideline for the standalone Bank and for Group effective October 1, 2021, is 100%.

The PNB on a consolidated basis at 31st March, 2026 maintained Available Stable Funding (ASF) of ₹ 14,74,282.00

Crores against the RSF requirement of ₹ 11,88,851.22 Crores. The NSFR for the FY ended March 31, 2026, is at 124.01%.

The Available Stable Funding (ASF) is primarily driven by the total regulatory capital as per Basle III Capital Adequacy guidelines stipulated by RBI and deposits from retail customers, small business customers and non-financial corporate customers. Under the Required Stable Funding (RSF), the primary drivers are unencumbered performing loans with residual maturities of one year or more.

Quantitative Disclosure on Net Stable Funding Ratio

(₹ in Crore)

NET STABLE FUNDING RATIO (CONSOLIDATED)											
NSFR Disclosure as on		31.03.2026					31.12.2025				
NSFR Components		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item											
1.	Capital: (2+3)	1,40,650	-	3,971	30,124	1,74,745	1,28,025	-	2,000	32,256	1,62,281
2.	Regulatory capital	1,40,650	-	3,971	24,635	1,69,256	1,28,025	-	2,000	26,606	1,56,631
3.	Other capital instruments	-	-	-	5,489	5,489	-	-	-	5,650	5,650
4.	Retail deposits and deposits from small business customers: (5+6)	5,29,362	2,47,392	3,62,221	279	10,31,469	5,14,489	2,74,215	3,27,793	279	10,11,203
5.	Stable deposits	84,636	19,383	18,255	52	1,16,213	84,109	20,888	16,531	95	1,15,546
6.	Less stable deposits	4,44,725	2,28,008	3,43,966	226	9,15,256	4,30,380	2,53,327	3,11,262	184	8,95,657
7.	Wholesale funding: (8+9)	76,128	1,70,081	2,19,262	36,042	2,67,987	73,280	2,15,526	1,30,924	52,343	2,62,208
8.	Operational deposits	-	4	-	-	2	-	-	-	-	-
9.	Other wholesale funding	76,128	1,70,077	2,19,262	36,042	2,67,986	73,280	2,15,526	1,30,924	52,343	2,62,208
10.	Other liabilities: (11+12)	94,280	1,07,110	27,162	81	81	1,01,719	1,45,503	22	1,919	1,921
11.	NSFR derivative liabilities		0	0	0			-	-	18	
12.	All other liabilities and equity not included in the above categories	94,280	1,07,110	27,162	81	81	1,01,719	1,45,503	22	1,901	1,921
13	Total ASF (1+4+7+10)					14,74,282					14,37,613
14	Total NSFR high-quality liquid assets (HQLA)					20,086					18,919
15	Deposits held at other financial institutions for operational purposes	13,146	40	-	-	6,593	9,013	80	-	-	4,547

NET STABLE FUNDING RATIO (CONSOLIDATED)										
NSFR Disclosure as on		31.03.2026					31.12.2025			
NSFR Components		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity			
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr
16	Performing loans and securities: (17+18+19+21+23)	16,773	3,38,346	1,14,281	9,40,429	9,86,452	15,192	3,08,435	1,23,591	9,35,034
17	Performing loans to financial institutions secured by Level 1 HQLA	11,859	519	-	-	1,238	663	91	363	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	87,200	41,584	1,54,828	1,88,700	-	96,715	35,692	1,46,042
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	2,08,648	61,259	5,95,003	6,18,675	-	1,77,583	78,611	5,96,417
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	1,22,060	13,339	1,12,230	1,40,649	-	1,05,111	46,782	1,89,801
21	Performing residential mortgages, of which:	-	28,674	3,399	97,725	84,049	-	31,171	5,763	1,02,036
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	10,531	2,444	73,222	54,085	-	12,736	2,926	78,921
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	4,914	13,305	8,039	92,873	93,791	14,530	2,874	3,162	90,539
24	Other assets: (sum of rows 25 to 29)	1,30,695	1,455	561	30,699	1,61,879	1,31,096	1,434	540	32,982
25	Physical traded commodities, including gold	-	-	-	-	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	10,154	-	-	50	8,673.79	837	-	-	50
27	NSFR derivative assets	-	29	-	49	78	-	5	-	-
28	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	20	20	-	-	-	28
29	All other assets not included in the above categories	1,20,541	1,426	561	30,579	1,53,107	1,30,259	1,429	540	32,904
30	Off-balance sheet items	-	47,497	22,974	2,45,123	13,841	-	48,299	18,876	2,44,205
31	Total RSF					11,88,851.22				11,61,402
32	Net Stable Funding Ratio (%)					124.01%				123.78%

Quantitative Disclosure on Net Stable Funding Ratio

(₹ in Crore)

NET STABLE FUNDING RATIO (CONSOLIDATED)											
NSFR Disclosure as on		30.09.2025				30.06.2025					
NSFR Components		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item											
1.	Capital: (2+3)	1,25,418	-	2,495	33,655	1,61,568	1,26,180	0	495	36,393	1,63,069
2.	Regulatory capital	1,25,418	-	2,495	28,406	1,56,319	1,26,180	0	495	31,400	1,58,075
3.	Other capital instruments	-	-	-	5,249	5,249	0	0	0	4,993	4,993
4.	Retail deposits and deposits from small business customers: (5+6)	5,05,114	2,65,904	3,23,437	553	9,91,415	4,90,056	2,22,049	3,55,056	679	9,66,822
5.	Stable deposits	79,832	17,996	19,234	130	1,11,339	76,943	17,869	19,158	195	1,08,467
6.	Less stable deposits	4,25,282	2,47,908	3,04,203	423	8,80,076	4,13,113	2,04,180	3,35,898	483	8,58,355
7.	Wholesale funding: (8+9)	75,031	2,10,983	1,32,370	35,572	2,43,764	74,498	1,71,686	1,60,332	48,030	2,51,288
8.	Operational deposits	-	7	-	-	3	0	7	0	0	4
9.	Other wholesale funding	73,031	2,10,976	1,32,370	35,572	2,43,761	74,498	1,71,678	1,60,332	48,030	2,51,284
10.	Other liabilities: (11+12)	61,991	1,54,695	427	14,744	14,723	45,534	1,61,243	1,599	292	272
11.	NSFR derivative liabilities		-	-	21			0	0	20	
12.	All other liabilities and equity not included in the above categories	61,991	1,54,695	427	14,723	14,723	45,534	1,61,243	1,599	272	272
13	Total ASF (1+4+7+10)					14,11,470					13,81,451
14	Total NSFR high-quality liquid assets (HQLA)					19,677					20,764
15	Deposits held at other financial institutions for operational purposes	10,673	37	-	-	5,355	8,278	111	0	0	4,194
16	Performing loans and securities: (17+18+19+21+23)	4,083	3,07,118	1,11,825	8,98,788	9,11,899	10,215	2,92,765	97,257	8,80,401	8,87,263
17	Performing loans to financial institutions secured by Level 1 HQLA	-	900	358	-	269	0	1648	0	0	165
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	91,430	27,179	1,30,898	1,58,202	0	91,390	26,670	1,27,063	1,54,106
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	1,73,755	75,799	5,79,259	5,80,032	0	1,54,573	63,072	5,64,872	5,52,429
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	99,678	44,256	1,85,575	1,92,590	0	91,658	31,076	1,82,674	1,80,105
21	Performing residential mortgages, of which:	-	33,461	3,487	96,948	85,706	0	37,111	2,926	92,656	84,126

NET STABLE FUNDING RATIO (CONSOLIDATED)											
NSFR Disclosure as on		30.09.2025					30.06.2025				
NSFR Components		Unweighted value by residual maturity				Weighted value	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	22,160	3,095	75,864	61,939	0	23,806	2,551	73,255	60,794
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	4,083	7,571	5,001	91,684	87,688	10,215	8,044	4,588	95,809	96,437
24	Other assets: (sum of rows 25 to 29)	1,15,609	1,610	659	29,604	1,47,358	83,851	919	1,291	30,501	1,16,440
25	Physical traded commodities, including gold	-	-	-	-	-	0	0	0	0	0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	775	-	-	50	702	806	0	0	0	685
27	NSFR derivative assets	-	-	-	-	-	0	1	0	0	1
28	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	35	35	0	0	0	43	43
29	All other assets not included in the above categories	1,14,834	1,610	659	29,518	1,46,621	83,044	918	1,291	30,458	1,15,710
30	Off-balance sheet items	-	48,360	15,121	1,79,512	10,411	0	46,329	16,935	1,65,670	9,759
31	Total RSF					10,94,699					10,38,419
32	Net Stable Funding Ratio (%)					128.94%					133.03%

3. INVESTMENTS

3.a Composition of Investment Portfolio

(₹ in Crore)

Current FY 31.03.2026							
	HTM		AFS	FVTPL		Subsidiaries, Associates & JVs	
	At Cost	Fair Value		HFT	Non-HFT	At cost	Fair Value
I. Investments in India							
(i) Government Securities	344,281.42	336,885.08	60,130.26	1,806.86	-	-	-
(ii) Other approved Securities	-	-	-	-	-	-	-
(iii) Shares	-	-	2,192.54	2,667.41	6,727.24		
(iv) Debentures and Bonds	2,244.15	2,305.41	40,888.45	846.15	3,913.81		
(v) Subsidiaries, associates and joint ventures						2,825.20	8,556.20
(vi) Others	-	-	9,921.85	5,277.88	2,666.86		

Current FY 31.03.2026							
	HTM		AFS	FVTPL		Subsidiaries, Associates & JVs	
	At Cost	Fair Value		HFT	Non-HFT	At cost	Fair Value
Total	346,525.57	339,190.49	113,133.10	10,598.30	13,307.91	2,825.20	8,556.20
Less: Provisions for impairment / NPI	-	-	243.72	1.20	2,230.21	123.68	-
Net	346,525.57	339,190.49	112,889.37	10,597.10	11,077.70	2,701.52	8,556.20
II. Investment outside India							
(i) Government securities (including local authorities)	-	-	7,959.15	-	-		
(ii) Subsidiaries, associates and joint ventures						2,493.72	3,216.07
(iii) Other investments	-	-	537.23	-	2.21		
Total	-	-	8,496.38	-	2.21	2,493.72	3,216.07
Less: Provisions for impairment/ NPI	-	-	-	-	-	671.73	-
Net	-	-	8,496.38	-	2.21	1,821.99	3,216.07
Total investments (I+II)	346,525.57	339,190.49	121,385.75	10,597.10	11,079.91	4,523.51	11,772.27

Note: The Govt. securities face value of ₹99,854.25 Crores have been kept as margin with RBI/CCIL/NSCCL/ICCL/MCX/SHCIL/ towards Repo, TREPS borrowing and Securities Settlement as on 31st March 2026. Against which securities with face value of ₹20,270.12 crores have been utilized to meet margin requirements with CCIL and LAF with RBI.

(₹ in Crore)

Previous FY 31.03.2025							
	HTM		AFS	FVTPL		Subsidiaries, Associates & JVs	
	At Cost	Fair Value		HFT	Non-HFT	At cost	Fair Value
I. Investments in India							
(i) Government Securities	346,015.32	348,750.60	71,315.32	2,297.55	-	-	-
(ii) Other approved Securities	-	-	-	-	-	-	-
(iii) Shares	-	-	663.07	2,714.40	5,730.92		
(iv) Debentures and Bonds	2,539.11	2,618.34	30,499.34	1,929.64	5,281.08		
(v) Subsidiaries, associates and joint ventures						2,982.64	9,261.72
(vi) Others	-	-	13,299.08	3,111.70	1,734.26		
Total	348,554.43	351,368.94	115,776.81	10,053.29	12,746.26	2,982.64	9,261.72
Less: Provisions for impairment / NPI	-	-	332.18	-	3,423.12	869.03	-
Net	348,554.43	351,368.94	115,444.63	10,053.29	9,323.14	2,113.61	9,261.72

Previous FY 31.03.2025							
	HTM		AFS	FVTPL		Subsidiaries, Associates & JVs	
	At Cost	Fair Value		HFT	Non-HFT	At cost	Fair Value
II. Investment outside India							
(i) Government securities (including local authorities)	-	-	9,305.49	-	-		
(ii) Subsidiaries, associates and joint ventures						2,560.28	2,921.34
(iii) Other investments	-	-	695.13	-	1.90		
Total	-	-	10,000.63	-	1.90	2,560.28	2,921.34
Less: Provisions for impairment/ NPI	-	-	-	-	-	740.66	-
Net	-	-	10,000.63	-	1.90	1,819.62	2,921.34
Total investments (I+II)	348,554.43	351,368.94	125,445.26	10,053.29	9,325.04	3,933.23	12,183.06

3.b Fair Value Hierarchy of investment portfolio measured at fair value on balance sheet

(₹ in Crore)

Current FY 31.03.2026								
	AFS				FVTPL			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
I. Investments in India								
(i) Government Securities	60,130.26	-	-	60,130.26	1,806.86	-	-	1,806.86
(ii) Other approved Securities	-	-	-	-	-	-	-	-
(iii) Shares	2,192.54	-	-	2,192.54	2,667.41	1,516.32	5,210.93	9,394.66
(iv) Debentures and Bonds	37,889.97	2,998.48	-	40,888.45	1,531.79	3,228.17	-	4,759.96
(v) Subsidiaries, associates and joint ventures	-	-	-	-	-	-	-	-
(vi) Others	9,921.85	-	-	9,921.85	5,698.36	-	2,246.37	7,944.73
Total	110,134.62	2,998.48	-	113,133.10	11,704.42	4,744.49	7,457.30	23,906.21
II. Investment outside India	-	-	-	-	-	-	-	-
(i) Government securities (including local authorities)	7,959.15	-	-	7,959.15	-	-	-	-

Current FY 31.03.2026								
	AFS				FVTPL			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(ii) Subsidiaries, associates and joint ventures	-	-	-	-	-	-	-	-
(iii) Other investments	537.23	-	-	537.23	-	-	2.21	2.21
Total	8,496.38	-	-	8,496.38	-	-	2.21	2.21
Total investments (I+II)	118,631.00	2,998.48	-	121,629.48	11,704.42	4,744.49	7,459.51	23,908.42

(₹ in Crore)

Previous FY 31.03.2025								
	AFS				FVTPL			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
I. Investments in India								
(i) Government Securities	71,315.32	-	-	71,315.32	2,297.55	-	-	2,297.55
(ii) Other approved Securities	-	-	-	-	-	-	-	-
(iii) Shares	663.07	-	-	663.07	2,742.50	980.44	4,722.38	8,445.32
(iv) Debentures and Bonds	27,369.08	3,130.26	-	30,499.34	3,269.82	3,940.90	-	7,210.72
(v) Subsidiaries, associates and joint ventures	-	-	-	-	-	-	-	-
(vi) Others	13,299.09	-	-	13,299.09	3,323.82	-	1,522.14	4,845.96
Total	112,646.56	3,130.26	-	115,776.82	11,633.69	4,921.34	6,244.52	22,799.55
II. Investment outside India								
(i) Government securities (including local authorities)	9,305.49	-	-	9,305.49	-	-	-	-
(ii) Subsidiaries, associates and joint ventures								
(iii) Other investments	695.13	-	-	695.13	-	-	1.90	1.90
Total	10,000.62	-	-	10,000.62	-	-	1.90	1.90
Total investments (I+II)	122,647.18	3,130.26	-	125,777.45	11,633.69	4,921.34	6,246.42	22,801.45

3.c Net Gains/(losses) on Level 3 financial instruments recognized in AFS-Reserve and Profit and Loss Account

(₹ in Crore)

	As on 31.03.2026	As on 31.03.2025
Recognised in AFS-Reserve	Nil	Not Applicable
Recognised in Profit and Loss Account.	1,623.53	

3.d Details of sales made out of HTM

In any financial year, the carrying value of investments sold out of HTM shall not exceed 5% of the opening carrying value of the HTM portfolio. Any sale beyond this threshold shall require prior approval from DoS, RBI. The 5% threshold referred to above shall exclude-

- The one-time transfer of securities to/from HTM category with the approval of Board of Directors undertaken by banks at the beginning of the accounting year.
- Direct sale from HTM for bringing down SLR holdings in HTM category consequent to a downgrade revision in SLR requirements by RBI.
- Sales to the Reserve Bank of India under liquidity Management operations of RBI like Open Market Operations (OMO), and the Government Securities Acquisition Program (GSAP).

- Repurchase of Government Securities by Government of India from banks under buyback of switch operation.
- Repurchase of State Development Loans by respective state governments under buyback or switch operations.
- Additional shifting of securities explicitly permitted by the Reserve Bank of India.

Additional sale of securities explicitly permitted by the Reserve Bank of India

(₹ in Crore)

	Current Year	Previous Year
A Opening carrying value of securities in HTM	348,554.43	311,275.95
B Carrying value of all HTM securities sold during the year	93,636.18	45,783.92
C Less: Carrying values of securities sold under situations exempted from regulatory limit	76,377.72	30,306.92
D Carrying value of securities sold (D=B-C)	17,258.46	15,477.00
E Securities sold as a percentage of opening carrying value of securities in HTM (E=D÷A)	4.95%	4.97%
F Amount transferred to Capital Reserve in respect of HTM securities which were sold at a gain	-	-

Note: The total value of sale of securities from HTM category after netting permitted exclusions in terms of RBI Direction No. DOR.MRG.REC.No.81/00-00-01/2025-26 dated November 28, 2025. During 1st April, 2025 to 31st March 2026 has not exceeded 5% of the carrying value of investments held in HTM category as on 01.04.2025.

3.e Reclassification between categories of investments

(₹ in Crore)

SL No	Entity Name	Security Type	Carrying value before reclassification	Carrying value after reclassification	Profit recognized in the Profit and Loss Account (on account of reclassification) during FY 2025-26
1	Transrail Lighting Ltd.	Equity Share	32.50 (under FVTPL Category)	32.50 (under HFT Category on the date of reclassification)	Nil
2	Canara HSBC Life Insurance Company	Equity Share	123.50 (under SBJVAS category)	1,828.41 (under AFS Category on the date of reclassification)	Nil*

*Remaining investment is reclassification in AFS category which is subject to MTM through AFS Reserve without routing through P&L.

3.f Movement of Provisions for Depreciation and Investment Fluctuations Reserves

(₹ in Crore)

Particulars	Current Year	Previous Year
i) Movement of provisions held towards depreciation on investments		
a) Opening balance	5,364.99	8,683.35
b) Less: Transitional Impact	-	3,647.21
c) Add: Provision made during the year	0.00	240.91
d) Add: Proportionate Provision transferred to NPI provision on account of restructuring	0.00	0.00
e) Less: Write off/ write back of excess provisions during the year.	1,631.50	0.00
f) Less: Provisions against securities sold/ restructured/write off.	462.94	(87.94)
g) Closing balance	3,270.55	5,364.99
ii) Movement of Investment Fluctuation Reserve		
a) Opening balance	3,313.36	1,877.35

Particulars	Current Year	Previous Year
b) Add: Transfer from P&L Appropriation A/c	830.19	1,049.66
c) Add: Transferred from Investment reserve	0.00	386.35
d) Less: Transfer to P&L Appropriation A/c	0.00	0.00
e) Less: Drawdown	0.00	0.00
f) Closing balance	4,143.55	3,313.36
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and FVTPL/Current category (Net)	2.90%	2.29%

3.g Non-SLR Investment Portfolio

3.g.i Non-Performing Non-SLR Investments
(₹ in Crore)

Particulars	Current Year	Previous Year
Opening balance	5,602.11	6,660.40
Additions during the year	1,032.30	109.86
Reductions during the above period	1,592.65	1,168.15
Closing balance	5,041.76	5,602.11
Total provisions held	5,041.76	5,602.11

3.g.ii. Issuer composition of non-SLR investments

(₹ in Crore)

Sr.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
(1)	(2)	(3)		(4)		(5)		(6)		(7)	
		31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
a)	PSUs	21,848.07	14,940.51	21,479.82	14,432.91	771.18	948.35	0.00	0.00	636.84	1,561.90
b)	FIs	13,704.16	11,549.29	13,515.59	11,451.35	23.40	23.50	0.00	0.00	0.00	0.00
c)	Banks	19,574.40	22,751.06	18,608.49	21,696.08	22.73	0.00	0.00	0.00	0.00	0.00
d)	Private Corporates	10,945.76	9,164.62	8,250.33	8,381.15	3,807.20	3,731.57	0.00	0.00	0.00	0.00
e)	Subsidiaries/ Joint Ventures	3,743.97	3,959.93	3,743.97	3,959.93	0.00	0.00	0.00	0.00	0.00	0.00

Sr.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
(1)	(2)	(3)		(4)		(5)		(6)		(7)	
		31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
f)	Others*	76,741.50	76,444.27	13,116.49	11,010.75	26.48	35.23	0.00	0.00	0.00	180.00
g)	Provision held towards depreciation	(3,270.55)	(5,364.99)	(2,917.72)	(5,009.61)	(1,780.69)	(2,796.37)	0.00	0.00	0.00	0.00
	Total	1,43,287.31	1,33,444.69	75,796.97	65,922.56	2,870.30	1,942.28	0.00	0.00	636.84	1,741.90

*Others includes Special Govt. Securities of ₹55,394.01 Crores and US Treasury of 7,959.15 Crores shown under Govt. securities in schedule 8.
Note - Amounts reported under columns 4, 5, 6 and 7 above may not be mutually exclusive.

3.h Repo Transactions

Current FY 31.03.2026 (In Face Value and Market Value Terms) (₹ in Crore)

Particulars	Minimum outstanding during the year		Maximum outstanding during the year		Daily average outstanding during the year		Outstanding as on 31 st March 2026	
	Face Value	Market Value	Face Value	Market Value	Face Value	Market Value	Face Value	Market Value
Securities sold under Repo								
i. Government Securities	0.00	0.00	6,511.95	6,766.34	519.15	535.95	661.00	669.78
ii. Corporate Debt Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii. Any Other Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Securities purchased under Reverse Repo								
i. Government Securities	0.00	0.00	21,477.22	22,416.81	2,116.86	2,157.35	1,270.24	1,271.18
ii. Corporate Debt Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii. Any Other Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Previous FY 31.03.2025 (In Face Value and Market Value Terms) (₹ in Crore)

Particulars	Minimum outstanding during the period		Maximum outstanding during the period		Daily average outstanding during the period		Outstanding as on 31 st March 2025	
	Face Value	Market Value	Face Value	Market Value	Face Value	Market Value	Face Value	Market Value
Securities sold under Repo								
i. Government Securities	0.00	0.00	4,910.24	4,981.14	462.63	478.76	0.00	0.00
ii. Corporate Debt Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii. Any Other Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Particulars	Minimum outstanding during the period		Maximum outstanding during the period		Daily average outstanding during the period		Outstanding as on 31 st March 2025	
	Face Value	Market Value	Face Value	Market Value	Face Value	Market Value	Face Value	Market Value
Securities purchased under Reverse Repo								
i. Government Securities	0.00	0.00	32,141.48	33,162.03	2,734.90	2,797.09	12,452.98	12,598.45
ii. Corporate Debt Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
iii. Any Other Securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

3.i Disclosure Related to Government Securities Lending

Current FY 31.03.2026

(₹ in Crore)

Particulars	Minimum outstanding during the period	Maximum outstanding during the period	Daily average outstanding during the period	Total volume of transactions during the period	Outstanding as on 31 st March 2026
Securities lent through GSL transactions	Nil	Nil	Nil	Nil	Nil
Securities borrowed through GSL transactions	Nil	Nil	Nil	Nil	Nil
Securities placed as collateral under GSL transactions	Nil	Nil	Nil	Nil	Nil
Securities received as collateral under GSL Transactions	Nil	Nil	Nil	Nil	Nil

Previous FY 31.03.2025

(₹ in Crore)

Particulars	Minimum outstanding during the period	Maximum outstanding during the period	Daily average outstanding during the period	Total volume of transactions during the period	Outstanding as on 31 st March 2025
Securities lent through GSL transactions	Nil	Nil	Nil	Nil	Nil
Securities borrowed through GSL transactions	Nil	Nil	Nil	Nil	Nil
Securities placed as collateral under GSL transactions	Nil	Nil	Nil	Nil	Nil
Securities received as collateral under GSL Transactions	Nil	Nil	Nil	Nil	Nil

4. ASSET QUALITY

4.a Classification of Advances and Provisions Held:

Current FY 31.03.2026

(₹ in Crore)

	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard Advances	Doubtful Advances	Loss Advances	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	10,72,555.49	5,558.59	21,740.16	16,782.85	44,081.60	11,16,637.09
Add: Addition during the year					6,444.68	
Less: Reduction during the year*					13,402.16	
Closing Balance	12,21,434.91	5,902.08	19,690.04	11,532.00	37,124.12	12,58,559.03
Reduction in NPAs due to:						
i) Upgradation					1,979.36	
ii) Recoveries (excluding recoveries from upgraded accounts)					3,726.94	
iii) Technical/ Prudential Write-offs					6,334.54	
iv) Write-offs other than those under (iii) above					1,361.31	
Provisions (Excluding Floating Provisions)						
Opening balance of provision held	-	1,158.11	20,593.76	16,645.24	38,397.11	
Add: Fresh provision made during the year					5,133.40	
Less: Excess provision reversed/ Write-off loans					11,963.10	
Closing balance of provisions held	-	1,592.16	18,547.46	11,427.80	31,567.41	
Net NPAs						
Opening Balance	-	4,119.51	33.43	137.61	4,290.55	
Add: Fresh additions during the year					2,186.05	
Less: Reduction during the year					2,867.04	
Closing Balance	-	2,623.71	955.16	30.70	3,609.56	

Previous FY 2024-25						(₹ in Crore)
	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	9,26,981.65	4,875.91	39,550.75	11,916.39	56,343.05	9,83,324.70
Add: Addition during the year					6,761.25	
Less: Reduction during the year*					19,022.70	
Closing Balance	10,72,555.49	5,558.59	21,740.16	16,782.85	44,081.60	11,16,637.09
Reduction in NPAs due to:						
v) Upgradation					1,858.97	
vi) Recoveries (excluding recoveries from upgraded accounts)					5,005.16	
vii) Technical/ Prudential Write-offs					9,992.70	
viii)Write-offs other than those under (iii) above					2,165.88	
Provisions (Excluding Floating Provisions)						
Opening balance of provision held	7,768.19	1,934.27	35,048.10	11,731.08	48,713.45	56,481.64
Add: Fresh provision made during the year					7,469.83	
Less: Excess provision reversed/ Write-off loans					17,786.17	
Closing balance of provisions held	7,543.39	1,158.11	20,593.76	16,645.24	38,397.11	45,940.50
Net NPAs						
Opening Balance	-	2,941.65	3,671.81	185.31	6,798.77	
Add: Fresh additions during the year					3,192.07	
Less: Reduction during the year					5,700.29	
Closing Balance	-	4,119.51	33.43	137.61	4,290.55	

Floating Provisions:

(₹ in Crore)		
Particulars	Current FY	Previous FY
Opening Balance	750.00	150.00
Add: Additional provisions made during the year	1,295.00	600.00
Less: Amount drawn down* during the year	0.00	0.00
Closing balance of floating provisions	2,045.00	750.00

*₹1,685.00 Crores is treated as a deduction in computation of Net NPA and ₹360.00 Crores is reckoned as part of Tier-II capital.

Technical Write-Offs and the Recoveries Made Thereon:

(₹ in Crore)		
Particulars	Current FY	Previous FY
Opening balance of Technical/ Prudential written-off accounts	90,887.30	91,165.75

Particulars	Current FY	Previous FY
Add: Technical/ Prudential write-offs during the year	6,842.98	10,205.78
Less: Recoveries made from previously technical/ prudential written-off accounts during the year	8,687.78	10,484.23
Closing balance	89,042.50	90,887.30

Ratios:

Particulars	As on 31.03.2026	As on 31.03.2025
Gross NPA to Gross Advances	2.95%	3.95%
Net NPA to Net Advances	0.29%	0.40%
Provision Coverage Ratio	97.14%	96.82%

4.b Sector-wise Advances and Gross NPAs:

(₹ in Crore)							
Sr. No.	Sector	As on 31.03.2026			As on 31.03.2025		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
A	Priority Sector						
1	Agriculture and allied activities	1,58,915.49	18,156.03	11.42%	1,36,815.63	19,548.82	14.29%
2	Advances to industries sector eligible as priority sector lending	73,408.03	5,389.36	7.34%	56,057.93	5,795.31	10.34%
3	Services	1,21,892.88	11,244.95	9.23%	1,07,055.13	13,176.33	12.31%
4	Personal Loan	51,189.27	949.85	1.86%	30,981.32	1,263.62	4.08%
	of which						
i.	Education loans	5,593.66	386.29	6.91%	5,874.42	426.22	7.26%
ii.	Housing loans	44,076.28	559.39	1.27%	24,785.91	834.54	3.37%
	Sub-total (A)	4,05,405.67	35,740.19	8.82%	3,30,910.01	39,784.08	12.02%

Sr. No.	Sector	As on 31.03.2026			As on 31.03.2025		
		Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
B	Non-Priority Sector						
1	Agriculture and allied activities	41,003.63	7.53	0.02%	43,809.49	264.09	0.60%
2	Industry	1,37,790.66	85.43	0.06%	1,35,535.83	1,748.19	1.29%
	of which						
i.	Electricity Generation	22,117.49	0.00	0.00%	20,715.31	949.19	4.58%
ii.	Roads and Bridges	36,918.88	49.21	0.13%	33,768.65	91.08	0.27%
3	Services	4,44,769.56	180.08	0.04%	3,77,999.59	238.00	0.06%
	NBFCS	1,68,484.09	0.00	0.00%	1,42,455.46	0.07	0.00%
4	Personal Loan	2,29,589.51	1,110.89	0.48%	2,28,382.17	2,047.25	0.90%
	of which						
i.	Housing loans	1,10,535.24	325.07	0.29%	1,31,611.56	852.58	0.65%
ii.	Mortgage loan	26,383.54	192.08	0.73%	25,860.86	379.02	1.47%
iii.	Vehicle/auto loans	38,197.20	106.95	0.28%	28,751.77	219.10	0.76%
	Sub-total (B)	8,53,153.36	1,383.93	0.16%	7,85,727.08	4,297.52	0.55%
	Total (A+B)	12,58,559.03	37,124.12	2.95%	11,16,637.09	44,081.60	3.95%

4.c Overseas Assets, NPAs and Revenue:

(₹ in Crore)

Sr. No.	Particulars	Current Year	Previous Year
1.	Total Assets	1,19,642.95	93,091.99
2.	Total NPAs	1,907.84	1,734.48
3.	Total Revenue	4,727.56	4,606.49

4.d Particulars of Resolution Plan & Restructuring

4.d.i Disclosure related to Resolution Plan implemented during the year in terms of RBI Circular No. DOR.STR.REC.84/21.04.048/2025-26 dated 28.11.2025:

(₹ in Crore)

Particulars	Current Year		Previous Year	
	No. of Accts	Amount	No. of Accts	Amount
Total amount of Loan assets subjected to restructuring etc.	-	-	3	320.10
The amount of standard assets subjected to restructuring etc.	-	-	Nil	Nil
The amount of Sub-standard assets subjected to restructuring etc.	-	-	3	320.10
Acquisition of shares due to conversion of equity on re-structuring during the period	1	765.10	1	Equity - Nil NCD - 10.44

4.d.ii In terms of RBI Circular DOR.STR.REC.84/21.04.048/2025-26 dated November 28, 2025, on Resolution of Stressed Assets, having total banking exposure of Rs.1500.00 Crores and above:

Current Year 31.03.2026 - The Bank is holding additional provision of ₹2,429.77 Crores as on 31.03.2026 for 15 borrowers as summarized below:

(₹ in Crore)

Amount of loans impacted by RBI Circular (FB+NFB)	Amount of Loans NPA as on 31.03.2026 out of (a) (FB+NFB)	Amount of loans NPA as on 31.03.2026 out of (b) (FB)	Amount of loans Standard as on 31.03.2026 out of (a)	Total Additional Provision held as on 31.12.2025	Additional Provision / (Reversal) made during quarter ended 31.03.2026	Total Provision held as on 31.03.2026
(a)	(b)	(c)	(d)	(e)	(f)	(g)
6,992.30	1,467.96	0.00	5,524.34	2,106.26	323.51	2,429.77

Previous Year 31.03.2025 - The Bank is holding additional provision of Rs. 1,763.02 Crores as on 31.03.2025 for 14 borrowers as detailed below:

(₹ in Crore)

Amount of loans impacted by RBI Circular (FB+NFB)	Amount of NPA Loans as on 31.03.2025 out of (a) (FB+NFB)	Amount of FB NPA Loans as on 31.03.2025 out of (b)	Amount of Standard loans as on 31.03.2025 out of (a)	Total Additional Provision held as on 30.12.2024	Additional Provision / (Reversal) made during quarter ended	Total Provision held as on 31.03.2025
(a)	(b)	(c)	(d)	(e)	(f)	(g)
7,144.32	1,605.99	0.00	5,538.33	992.43	770.59	1,763.02

4.e Divergence in Asset Classification and Provisioning

As per RBI Master Direction on Financial Statements - Presentation and Disclosures No. DOR.ACC.REC. NO.86/21.04.018/2025-26 dated November 28, 2025, in case the additional provisioning for NPAs assessed by RBI as part of its supervisory process, exceeds 5% of the reported profit before provisions and contingencies for the reference period and the additional gross NPAs identified by RBI as part of its supervisory process, exceed 5% of the reported 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.

No divergences on the above aspect have been assessed by RBI, hence no disclosure is required with respect to RBI's

annual supervisory process for FY 2024-25.

(Previous year Disclosure on divergence in Asset classification and provisioning for NPAs is not required w.r.t. RBI's annual supervisory process for the year ended March 31, 2025 based on conditions mentioned in RBI Master Direction no. RBI/DOR/2021-22/83 DOR.ACC.REC. No.45/21.04.018/2021-22 dated August 30, 2021 (Updated as on October 25, 2023).

4.f Disclosure of Transfer of Loan Exposures (Total amount of loans not in default / stressed (SMA & NPA) loans transferred and acquired to / from other entities) in terms of RBI Circular No. DOR.STR.REC.78./21.04.048/2025-26 dated November 28, 2025:

4.f.i Loans not in default transferred (through assignment/ novation and loan

participation):

Loans not in default transferred through assignment/novation and loan participation is Nil for the current financial year (2025-26) & previous financial year (2024-25).

4.f.ii Details of stressed loans transferred - loans classified as SMA:

Current FY (2025-26)

(₹ in Crore)

Particulars	To ARCs	To permitted transferees	To other transferees
No. of accounts	Nil	Nil	Nil
Aggregate principal outstanding of loans transferred	Nil	Nil	Nil
Weighted average residual tenor of the loans transferred	Nil	Nil	Nil
Net book value of loans transferred (at the time of transfer)	Nil	Nil	Nil
Aggregate consideration	Nil	Nil	Nil
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil	Nil
Quantum of excess Provision reversed to the Profit & Loss account on account of sale of stressed loans	Nil	Nil	Nil

Previous FY (2024-25)

(₹ in Crore)

Particulars	To ARCs	To permitted transferees	To other transferees
No. of accounts	Nil	Nil	Nil
Aggregate principal outstanding of loans transferred	Nil	Nil	Nil

Particulars	To ARCs	To permitted transferees	To other transferees
Weighted average residual tenor of the loans transferred	Nil	Nil	Nil
Net book value of loans transferred (at the time of transfer)	Nil	Nil	Nil
Aggregate consideration	Nil	Nil	Nil
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil	Nil
Quantum of excess Provision reversed to the Profit & Loss account on account of sale of stressed loans	Nil	Nil	Nil

4.f.iii Details of stressed loans transferred - loans classified as NPA:

Current FY (2025-26)

(₹ in Crore)

Particulars	To ARCs	To permitted transferees	To other transferees
No. of accounts	20	Nil	Nil
Aggregate principal outstanding of loans transferred	2,517.92	Nil	Nil
Weighted average residual tenor of the loans transferred	0.00	Nil	Nil
Net book value of loans transferred(at the time of transfer)	29.49	Nil	Nil
Aggregate consideration	1,447.58	Nil	Nil
Additional consideration realized in respect of accounts transferred in earlier years	204.33	Nil	Nil

Particulars	To ARCs	To permitted transferees	To other transferees
Quantum of excess Provision reversed to the Profit & Loss account on account of sale of stressed loans	1,418.09	Nil	Nil

Previous FY (2024-25)

(₹ in Crore)

Particulars	To ARCs	To permitted transferees	To other transferees
No. of accounts	7	Nil	Nil
Aggregate principal outstanding of loans transferred	1,201.71	Nil	Nil
Weighted average residual tenor of the loans transferred	Nil	Nil	Nil
Net book value of loans transferred (at the time of transfer)	Nil	Nil	Nil
Aggregate consideration	863.05	Nil	Nil
Additional consideration realized in respect of accounts transferred in earlier years	145.68	Nil	Nil
Quantum of excess Provision reversed to the Profit & Loss account on account of sale of stressed loans	733.60	Nil	Nil

4.f.iv Loans not in default acquired (through assignment/ novation and loan participation):

Through Assignment:

(₹ in Crore)

	Current Year	Previous Year
Amount of Loan	9,615.07	22,338.66
Weighted average maturity (in months)	138.51	147.99

	Current Year	Previous Year
Weighted average holding period (in months)	21.62	24.38
Retention of beneficial economic interest (by originator)	10%	10%
Tangible security coverage	299.97%	215.82%
Rating wise distribution of rated loans	NA	NA

Note - Loans not in default acquired through novation and loan participation is Nil for the current FY (01.04.2025 to 31.03.2026) & previous FY (1.04.2024 to 31.03.2025).

4.f.v Details of stressed loans acquired - loans classified as SMA:

Stressed loans acquired (classified as SMA) is Nil for the current FY (2025-26) & previous FY (2024-25).

4.f.vi Details of stressed loans acquired - loans classified as NPA:

Stressed loans acquired (classified as NPA) is Nil for the current FY (2025-26) & previous FY (2024-25).

4.f.vii Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies as on 31.03.2026:

(₹ in Crore)

Recovery Rating Band	Face Value	Carrying Value
RR1+	10.11	22.47
RR1	968.24	1,116.99
RR2	115.48	70.78
RR3	11.98	0.00
RR4	0.00	0.00
RR5	0.00	0.00
Unrated/Rating Withdrawn	2,781.40	1,125.48
Total	3,887.21	2,335.72

As per RBI guidelines post 8 years Rating is not applicable.

As per the “Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2025”, entire investments in SRs have been classified as FVTPL. The securities held in FVTPL are fair valued.

Further, as per Revised norms for Government Guaranteed SRs, such as SRs are valued by reckoning NAV provided by ARC.

The existing book value of standard SRs as on 31.03.2024 was netted against the 100% provision maintained against these investments. Thus, the carrying value of investments in SRs since 01.04.2024 is Nil.

In case of SRs classified as NPI after completion of 8 years, the provision has not been netted, as in the case of standard SRs, however 100% provision is maintained against such SRs. Accordingly, provision of ₹388.39 Cr. is held against carrying value of NPI SR.

4.f.viii Investments in Security Receipts (SRs) as on 31.03.2026:

(₹ in Crore)

Sr. No.	Particulars	SRs issued within past 5 years		SRs issued more than 5 years ago but within past 8 years		SRs issued more than 8 years ago	
		Face Value	Carrying value	Face Value	Carrying value	Face Value	Carrying value
a)	Value of SRs where NPAs sold by the bank are the underlying	1,880.16	1,947.33	51.58	0.00	1,955.48	388.39
	Provision held against (a)	-	(0.00)	-	(0.00)	-	(388.39)
b)	Value of SRs where NPAs sold by other banks / financial institutions / non- banking financial companies are the underlying	-	-	-	-	-	-
	Provision held against (b)	-	-	-	-	-	-
Total (a) + (b)		1,880.16	1,947.33	51.58	0.00	1,955.48	388.39

Investments in Security Receipts (SRs) as on 31.03.2025

(₹ in Crore)

Sr. No.	Particulars	SRs issued within past 5 years		SRs issued more than 5 years ago but within past 8 years		SRs issued more than 8 years ago	
		Face Value	Carrying value	Face Value	Carrying value	Face Value	Carrying value
a)	Value of SRs where NPAs sold by the bank are the underlying	1,346.74	1,325.39	575.91	0.00	1,675.94	394.34
	Provision held against (a)	-	(0.00)	-	(0.00)	-	(394.34)
b)	Value of SRs where NPAs sold by other banks / financial institutions / non- banking financial companies are the underlying	-	-	-	-	-	-
	Provision held against (b)	-	-	-	-	-	-
Total (a) + (b)		1,346.74	1,325.39	575.91	0.00	1,675.94	394.34

4.g. Disclosure on Co-Lending Arrangements (CLA):

(₹ in Crore)

SL No.	Particulars	Current Year	Previous Year
1	Quantum of CLA	838.54	640.99
2	Weighted Average rate of Interest@	Not Applicable	Not Applicable
3	Fees Paid	2.43	4.73
4	Broad sectors in which CLA was made	MSME and Retail	MSME and Retail
Performance of loans under CLA			
5	Total loan disbursed	1304.19	919.22
	Outstanding	838.54	640.99
	Out of which Standard:	811.88	626.75
	NPA:	26.66	14.24
6	Details related to default loss guarantee, if any.	Not Applicable	Not Applicable

*Fee paid is the gross fee paid to NBFCs

@the weighted average rate of interest is introduced by RBI (Commercial Banks- Transfer and distribution of Credit Risk), Direction 2025 dated 28.11.2025 effective from 01.01.2026 applicable for new CLA entered after effective date. However, Bank has not entered into any new tie-up with effective dated 01.01.2026, hence not applicable.

4.h. Fraud Reported and Provision Made:

(₹ in Crore)

Particulars	Current Year (31.03.2026)				Previous Year (31.03.2025)			
	Borrowal Fraud	Non Borrowal Fraud	Digital* Fraud	Total	Borrowal Fraud	Non Borrowal Fraud	Digital Fraud	Total
Number of Frauds reported	445	99	0*	544	84	90	2,746	2,920
Amount involved in Fraud (₹ in Crores)	10,472.65	78.99	0.00	10,551.64	4,358.05	51.61	6.34	4,416.00
Amount of provision made for such frauds (₹ in Crores)	4,681.45	66.98	0.00	4,748.43	2,326.03	49.16	0.00	2,375.19
Amount of Un-amortized provision debited from 'Other Reserves' as at the end of the year. (₹ in Crores)	-	-	-	-	-	-	-	-

*Reporting of Customer Liability Digital Fraud cases to RBI through CIMS portal has been discontinued as per Master Directions on Fraud Risk Management issued by RBI vide no. DOS.CO.FMG.SEC.No.5/23.04.001/2024-25 on 15.07.2024.

Note -

- Out of 445 borrowal fraud cases, 108 cases involving a total amount of ₹7,123.91 Crores have been re-reported to RBI after deactivation of fraud in light of judgement by Hon'ble Supreme Court dated 27.03.2023 for providing principal of natural justice to the parties.
- Difference in Non-borrowal fraud amount and provisioning is due to amount recovered for ₹12.01 Cr.

4.i 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 "Micro, Small and Medium Enterprises (MSME) sector - Restructuring of Advances", the detail of MSME restructured accounts is as under:

Particulars	As on 31.03.2026
No. of Accounts Restructured	1,608
Amount (₹ in Crores)	323.89
Provision at Regulatory Rate (₹ in Crores)	16.19
Provision held at higher rate(₹ in Crores)	24.37
Additional Provision higher than regulatory	8.18

4.k. Details of resolution plan implemented under Resolution Framework for COVID 19 related stress as per RBI Circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 and RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 are given below:

(₹ in Crore)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 30.09.2025 (A)	Of (A), aggregate debt that slipped into NPA during the Half Year	Of (A) amount written off during the Half Year	Of (A) amount paid by the borrowers during the Half Year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at 31.03.2026
Personal Loans	325.49	3.95	0.00	22.52	308.86
Corporate persons*	1,107.52	0.00	0.00	479.68	812.82
*of which, MSMEs	424.65	0.00	0.00	303.17	147.03
Others	2.76	0.00	0.00	0.33	2.56
Total OTR 1.0	1,435.77	3.95	0.00	502.53	1,124.24
Personal Loans	3,093.74	60.65	0.00	284.96	2,912.56
Business Loans	157.17	2.91	0.00	47.34	161.74
Small Business	323.43	0.38	0.00	54.07	303.45
Total OTR 2.0	3,574.34	63.94	0.00	386.37	3,377.75
Grand Total	5,010.11	67.89	0.00	888.90	4,501.99

4.j. In accordance with RBI circular no. DOR. STR.REC.12/21.04.048/2021-22 dated May 05, 2021, on "Resolution Framework 2.0 - Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs)" the details of accounts restructured is as under:

Particulars	As on 31.03.2026
No. of Accounts Restructured	9,334
Amount (₹ in Crores)	1,157.36
Provision held at regulatory rate (₹ in Crores)	115.74
Provision at higher rate (₹ in Crores)	144.67
Additional provision higher than regulatory rate	28.93

4.l Disclosure related to project finance:

SL No	Item Description	Number of A/cs	Total O/s (₹ in Crores)
1	Projects under implementation accounts at the beginning of the quarter.	1819	34,065.51
2	Projects under implementation accounts sanctioned during the quarter.	301	1,886.43
3	Projects under implementation accounts where DCCO has been achieved during the quarter.	381	5,237.11
4	Projects under implementation accounts at the end of the quarter. (1+2-3)	1739	30,714.83
5	Out of '4' – accounts in respect of which resolution process involving extension in original/ extended DCCO, as the case may be has been invoked.	352	2,398.10
5.1	Out of '5' – accounts in respect of which Resolution plan has been implemented.	352	2,398.10
5.2	Out of '5' – accounts in respect of which Resolution plan is under implementation.	0	0.00
5.3	Out of '5' – accounts in respect of which Resolution plan has failed.	0	0.00
6	Out of '5', accounts in respect of which resolution process involving extension in original/ extended DCCO, as the case may be has been invoked due to change in scope and size of the project	0	0.00
7	Out of '5', account in respect of which cost overrun associated with extension in 20 original/ extended DCCO, as the case may be, was funded	0	0.00

SL No	Item Description	Number of A/cs	Total O/s (₹ in Crores)
7.1	Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously	0	0.00
7.2	Out of '7', accounts where SBCF was not pre-sanctioned or renewed continuously	0	0.00
8	Out of '4' – accounts in respect of which resolution process not involving extension in original/ extended DCCO, as the case may be has been invoked.	0	0.00
8.1	Out of '8' – accounts in respect of which Resolution plan has been implemented.	0	0.00
8.2	Out of '8' – accounts in respect of which Resolution plan is under implementation.	0	0.00
8.3	Out of '8' – accounts in respect of which Resolution plan has failed.	0	0.00

5. EXPOSURES

5.a Exposure to Real Estate Sector:

(₹ in Crore)

Sr. No.	Particulars	Current Year	Previous Year
I.	Direct Exposure (i + ii + iii)	1,98,140.22	2,00,754.75
i.	Residential Mortgages (a + b) (Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.)	1,76,085.06	1,76,046.39
a.	Housing loans classified as priority sector	47,175.00	26,115.12
b.	Others Residential Mortgages	1,28,910.06	1,49,931.27

Sr. No.	Particulars	Current Year	Previous Year
	ii. Commercial Real Estate (a + b) Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, industrial or warehouse space, land acquisition, development, and construction, etc.)	22,055.16	24,708.36
	a. Fund Based	21,363.50	24,015.99
	b. Non-Fund Based	691.66	692.37
	iii. Investments in Mortgage-Backed Securities (MBS) and other securitized exposures (a + b)	0.00	0.00
	a. Residential	-	-
	b. Commercial Real Estate	-	-
II.	Indirect Exposure (i + ii)	83,277.22	63,422.31
	i. Fund based and non-fund-based exposures to National Housing Bank (NHB) and Housing Finance Companies (HFCs) including Foreign Offices.	72,098.00	56,063.74
	ii. Investments made by the Bank in Housing Companies and Corporations	11,179.22	7,358.57
	Total Exposure to Real Estate Sector (I + II)	2,81,417.44	2,64,177.06

5.b Exposure to Capital Market:

(₹ in Crore)

Particulars	Current Year	Previous Year
i) Direct investment in equity shares, convertible bonds, convertible debentures, and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	5,940.66	3,778.00
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	0.76	0.83
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	222.59	203.38

Particulars	Current Year	Previous Year
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	970.00	120.00
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	Nil	Nil
vii) Bridge loans to companies against expected equity flows / issues	Nil	Nil
viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	Nil	Nil
ix) Financing to stockbrokers for margin trading;	Nil	Nil

Particulars	Current Year	Previous Year
x) All exposures to Venture Capital Funds (both registered and unregistered)	299.04	158.14
Total exposure to capital market	7,433.05	4,260.35

5.c Risk Category-wise Country Exposure:

Total Net Funded Exposure as on 31.03.2026 is ₹64,835.40 Crores. Total assets of the Bank as on 31.12.2025 were ₹19,30,213.00 Crores, 1% of total asset is ₹19,302.13 Crores. Bank exposure to USA Country is beyond 1% of total assets of the bank as on 31.12.2025. Hence, ₹25.16 Crores provision is required with respect to country risk exposure as on 31.03.2026.

(Previous Period: Total Net Funded Exposure as on 31.03.2025 was ₹57,726.95 Crores. Total assets of the Bank as on 31.12.2024 were ₹17,62,410.00 Crores, 1% of total asset is ₹17,624.10 Crores. Bank exposure to USA was beyond 1% of total assets of the bank as on 31.12.2024. Hence, provision of ₹25.33 Cr. is required with respect to country risk exposure as on 31.03.2025.)

(₹ in Crore)

Risk Category	ECGC Rating	As at 31.03.2026		As at 31.03.2025	
		Net Funded Exposure	Provision held	Net Funded Exposure	Provision held
Insignificant	A1	43,175.38	25.16	35,773.45	25.33
Low	A2	21,141.17	0.00	21,151.42	0.00
Moderately Low	B1	397.12	0.00	566.81	0.00
Moderate	B2	116.66	0.00	224.02	0.00
Moderately High	C1	4.60	0.00	8.08	0.00
High	C2	0.47	0.00	3.12	0.00
Very High	D	0.00	0.00	0.05	0.00
Total		64,835.40	25.16	57,726.95	25.33

5.d Unsecured Advances

(₹ in Crore)		
Particulars	Current Year	Previous Year
Total Unsecured Advances of the Bank	2,86,063.54	2,41,268.11
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	0.00	0.00
Estimated value of such intangible securities	0.00	0.00

5.e Factoring Exposures (Under TReDS):

(₹ in Crore)		
Particulars	As at 31.03.2026	As at 31.03.2025
Balance outstanding	5,524.41	1,621.79

5.f Intra-group Exposures:

(₹ in Crore)		
Particulars	As at 31.03.2026	As at 31.03.2025
Total amount of intra-group exposures	13,656.15	10,304.24
Total amount of top 20 intra-group exposures	13,656.15	10,304.24
Percentage of intra-group exposures to total exposure of the Bank on borrower/customers	0.80%	0.70%
Details of breach of limits on intra-group exposures and regulatory action if any	NA	NA

5.g Unhedged Foreign Currency Exposure:

The Bank has framed a policy to manage Currency Induced Credit Risk and has been incorporated in Bank's Credit Management & Risk Policy 2025-26 as follows:

In terms of RBI guidelines, the Bank has framed a policy to manage currency induced credit risk and has incorporated the same in bank's current Credit Management & Risk Policy as follows:

"In terms of RBI guidelines, Bank monitors the currency wise Un-hedged Foreign Currency Exposure in the books of borrowers at quarter ends along-with the Annualized Earnings before Interest & Depreciation (EBID). The incremental provision (ranging from 0 to 80 bps on total credit exposure, over and above the standard asset provisioning) and capital requirement will depend on likely loss (due to foreign currency fluctuation), that borrowers may face due to their un-hedged forex exposure in their books. Bank maintains separate charge and provisioning requirement on account of such exposures which may impact the cost to the borrowers. Appropriate disclosures in the financial statements of the Bank shall also be made."

Provision and Capital held towards Unhedged Foreign Currency Exposure as on 31.03.2026

(₹ in Crore)		
Particulars	As at 31.03.2026	As at 31.03.2025
Incremental Provision (Domestic)	224.29	230.28
Incremental Provision (Overseas)	3.79	6.84
Total incremental Provision	228.08	237.12
Risk Weighted Assets (RWA) (Domestic)	2,085.82	2,763.15
Risk Weighted Assets (RWA) (Overseas)	237.08	213.69
Total Risk Weighted Assets	2,322.90	2,976.84

Particulars	As at 31.03.2026	As at 31.03.2025
Incremental Capital held RWA (@11.50%)	267.13	342.34

The Bank has estimated the liability for Unhedged Foreign Currency Exposure in terms of RBI Direction RBI/DOR/2025-26/157 DOR.CRE.REC.76/07-02-001/2025-26 dated November 28, 2025, and is holding an incremental provision of ₹228.08 Crores as on 31.03.2026. (Previous Year - ₹237.12 Crores as on 31.03.2025).

6. CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES AND NPAS

6.a. Concentration of Deposits

(₹ in Crore)		
Particulars	As at 31.03.2026	As at 31.03.2025
Total deposits of the twenty largest depositors	73,394.40	53,440.86
Percentage of deposits of twenty largest depositors to total deposits of the Bank	4.45%	3.41%

6.b. Concentration of Advances

(₹ in Crore)		
Particulars	As at 31.03.2026	As at 31.03.2025
Total advances to the twenty largest borrowers	2,05,065.35	1,90,348.02
Percentage of advances to twenty largest borrowers to total advances of the Bank	12.63%	13.60%

6.c. Concentration of Exposures

(₹ in Crore)		
Particulars	As at 31.03.2026	As at 31.03.2025
Total exposure to the twenty largest borrowers/customers	2,94,276.11	2,64,435.81
Percentage of exposures to the twenty largest borrowers/customers to the total exposure of the Bank on borrowers/ customers	17.23%	18.04%

6.d. Concentration of NPAs

(₹ in Crore)		
Particulars	As at 31.03.2026	As at 31.03.2025
Total Exposure to the top twenty NPA accounts	996.75	2,859.40
Percentage of exposures to the twenty largest NPA exposure to total Gross NPAs.	2.68%	6.49%

7. DERIVATIVES

7.a Details of Derivative portfolio

(₹ in Crore)

	Current FY Ended 31.03.2026			Previous FY Ended 31.03.2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Interest Rate Derivatives						
MTM – Assets*	84.17	0.00	0.00	0.00	0.00	0.00
MTM – Liabilities*	78.71	0.00	0.00	0.00	0.00	0.00
Net Gain/ Loss recognised in Profit & Loss Account**	0.0206	0.00	0.00	(0.17)	0.00	0.00
Exchange Rate Derivatives						
MTM – Assets*	0.00	7,435.22	0.00	0.00	3,535.58	0.00
MTM – Liabilities*	19.17	8,203.55	0.00	0.00	3,272.36	0.00
Net Gain/ Loss recognised in Profit & Loss Account**	4.48	111.25	0.00	0.32	54.26	0.00
Credit Risk Derivatives						
MTM – Assets	0.00	0.00	0.00	0.00	0.00	0.00
MTM – Liabilities	0.00	0.00	0.00	0.00	0.00	0.00
Net Gain/ Loss recognised in Profit & Loss Account	0.00	0.00	0.00	0.00	0.00	0.00
Other Derivatives (specify)						
MTM – Assets	0.00	0.00	0.00	0.00	0.00	0.00
MTM – Liabilities	0.00	0.00	0.00	0.00	0.00	0.00
Net Gain/ Loss recognised in Profit & Loss Account	0.00	0.00	0.00	0.00	0.00	0.00

*MTM- Assets/Liabilities as at the end of the period

**Net Gain/Loss recognized in P&L account during the reporting period.

7.b Forward rate agreement /Interest Rate Swap

(₹ in Crore)

Sr. No.	Particulars	As at 31.03.2026	As at 31.03.2025
i.	The notional principal of swap agreements*	7,752.94	895.37
ii.	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	208.67	903.93
iii.	Collateral required by the Bank upon entering into swaps	0.00	0.00
iv.	Concentration of credit risk arising from the swaps\$	0.00	0.00
v.	The fair value of the swap book@	5.46	0.00

*The above Trades are Interest Rate Swap Deals done with CCIL for ₹7631.75 Crores. There are total 1001 deals out of which for 508 deals, payment is made at Fixed Contract Rate and received at Floating rate and in remaining 493 deals, payment is made at Floating Rate and received at Fixed Contract Rate.

\$Examples of concentration could be exposures to particular industries or swap with highly geared companies.

@All these swap deals are Trading swap and the fair value is its mark to market value.

7.c Exchange traded Interest Rate Derivatives

(₹ in Crore)

Sr. No.	Particulars	As at 31.03.2026	As at 31.03.2025
i.	Notional principal amount of exchange traded interest rate derivatives undertaken during the half year (instrument wise) a. Interest Rate Swaps	NIL	NIL
ii.	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31st March 2026 (instrument wise) a. Interest Rate Futures		

Sr. No.	Particulars	As at 31.03.2026	As at 31.03.2025
iii.	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)	NIL	NIL
iv.	Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)		

7.d Disclosure on Risk Exposure in Derivatives

7.d.i Qualitative disclosures

The Bank uses derivative products for hedging its own balance sheet items as well as for trading purposes. The risk management of derivative operation is headed by a senior executive, who report to top management, independent of the line functions. Trading positions are marked to market on daily basis.

The derivative policy is framed by Integrated Risk Management Division, which includes measurement of credit risk and market risk.

The hedge transactions are undertaken for balance sheet management. Proper system for reporting and monitoring of risks are in place. Policy for hedging and processes for monitoring the same is in place.

Accounting policy for recording hedge and non-hedge transactions are in place, which includes recognition of income, premiums and discounts.

Valuation of outstanding contracts, provisioning, collateral and credit risk mitigation are being done.

7.d.ii Quantitative disclosures

(₹ in Crore)

Sr. No.	Particulars		As at 31.03.2026		As at 31.03.2025	
			Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
	Derivatives (Notional Principal Amount)					
a.	i.	For hedging	121.19	0.00	895.37	0.00
	ii.	For trading	3,62,738.65	7,631.75	5,49,486.83	0.00
	Marked to Market Positions					
	i.	Hedging				
	a.	Asset (+)	0.00	0.00	8.56	0.00
b.	b.	Liability (-)	(3.31)	0.00	(2.15)	0.00
	ii.	Trading				
	a.	Asset (+)	7,435.22	84.17	3,527.02	0.00
	b.	Liability (-)	8,226.03	(78.71)	3,274.51	0.00
c.	Credit Exposure ^[1]		11,631.84	122.86	14,550.19	0.00
	Likely impact of one percent change in interest rate (100*PV01)					
d.	i.	On hedging derivatives	0.00	0.00	0.00	0.00
	ii.	On trading derivatives	0.00	6.35	0.00	0.00
	Maximum and Minimum of 100*PV01 observed during 9 Months					
	i.	On hedging	Maximum	0.00	0.00	0.00
			Maximum	0.00	0.00	0.00
	ii.	On trading	Maximum	0.00	36.64	0.07
			Maximum	0.00	0.02	0.00

[1] Banks adopt the Current Exposure Method on Measurement of Credit Exposure of Derivative Products as per Reserve Bank of India instructions.

7.e Credit Default Swaps

Since the Bank is not using any proprietary pricing model for pricing Credit Default Swaps (CDS) contracts, and it is Over the Counter (OTC) contract, the price is determined by the market dynamics. As such no disclosure is to be made in terms of extant RBI guidelines.

8. DISCLOSURE RELATING TO SECURITIZATION

(₹ in Crore)

Sr. No	Particulars		Simple, Transparent and Comparable (STC)		Non-STC transactions	
			31.03.2026	31.03.2025	31.03.2026	31.03.2025
1.	No of SPEs holding assets for securitization transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)		-	-	-	-
2.	Total amount of securitized assets as per books of the SPEs		-	-	-	-
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		-	-	-	-
	a) Off-balance sheet exposures	• First loss	-	-	-	-
		• Others	NIL			-
	b) On-balance sheet exposures	• First loss				-
		• Others				-
4.	Amount of exposures to securitization transactions other than MRR					-
	a) Off-balance sheet exposures			-		-
	i) Exposure to own securitizations	• First loss	-	-	-	-
		• Others	-		-	
	ii) Exposure to third party securitizations	• First loss	-	-	-	-
		• Others	-		-	
	b) On-balance sheet exposures		-	-	-	
	i) Exposure to own securitizations	• First loss		-		-
		• Others		-		

Sr. No	Particulars		Simple, Transparent and Comparable (STC)		Non-STC transactions	
			31.03.2026	31.03.2025	31.03.2026	31.03.2025
	ii) Exposure to third party securitizations	- First loss - Others		-		-
5.	Sale consideration received for the securitized assets and gain/loss on sale on account of securitization.		-	-	-	-
6.	Form and quantum (outstanding value) of services provided by way of liquidity support, post-securitization asset servicing, etc.		-	-	-	-
7.	Performance of facility provided, please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (a) Amount paid (b) Repayment received (c) Outstanding amount		NIL			-
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.		-	-	-	-
9.	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.		-	-	-	-
10.	Investor complaints (a) Directly/Indirectly received and (b) Complaints out standing		-	-	-	-

9. OFF BALANCE SHEET SPVs SPONSORED (WHICH ARE REQUIRED TO BE CONSOLIDATED AS PER ACCOUNTING NORMS):

Name of the SPV sponsored	As at 31.03.2026		As at 31.03.2025	
	Domestic	Overseas	Domestic	Overseas
-	-	-	-	-

10. TRANSFER TO DEPOSITOR EDUCATION AND AWARENESS FUND (DEAF)

(₹ in Crore)		
Particulars	31.03.2026	31.03.2025
Opening balance of amounts transferred to DEAF Fund	6,555.34	5,470.55
Add: Amounts transferred to DEAF during the year	1,138.51	1,173.04

Particulars	31.03.2026	31.03.2025
Less: Amounts reimbursed by DEAF towards claims during the year	3,30.63	88.25
Closing balance of amounts transferred to DEAF Fund*	7,363.22	6,555.34

*The amount will be reflected as Contingent Liabilities - Others, items for which the Bank is contingently liable under Schedule 12 of the financial statements as on 31.03.2026

11. DISCLOSURE OF COMPLAINTS

11.a Summary Information on Complaints received by the bank from customers and from the offices of Ombudsman, including ATM complaints

Sr. No.	Particulars	Current Year	Previous Year
Complaints received by the Bank from its customers			
1.	Number of complaints pending at beginning of the period.	28,855	32,351
2.	Number of complaints received during period	5,74,498	11,39,830
3.	Number of complaints disposed during the period	5,96,022	11,43,326
	3.1. of which, number of complaints rejected by the Bank	2,48,813	5,15,885
4.	Number of complaints pending at the end of the period	7,331	28,855
Maintainable complaints received by the Bank from Office of Ombudsman			

Sr. No.	Particulars	Current Year	Previous Year
5.	Number of maintainable complaints received by the Banks from Office of Ombudsman	7,272	7,880
	5.1. of 5, number of complaints resolved in favour of the Bank by Office of Ombudsman.	2,920	3,209
	5.2. of 5, number of complaints resolved through conciliation / mediation / advisories issued by Office of Ombudsman	4,350	4,670
	5.3. of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Bank	2	1
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note:
1. Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.

11.b Top five grounds* of complaints received by the Bank from Customers

Current FY (2025-26)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the Year	% Increase/ decrease in the number of complaints received over the Previous period	Number of complaints pending at the end of the period	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
ATM/ Debit Cards	1,806	2,11,282	(44.92)	1,288	49
Internet/ Mobile/ Electronic Banking	3,386	1,67,970	(58.44)	1,147	113
Account opening/difficulty in operation of accounts	254	16,981	(27.41)	29	1
Loans and advances	364	9,009	(16.07)	61	3
Levy of charges without prior notice/ excessive charges/ foreclosure charges	148	5,515	(22.72)	12	0
Others	22,897	1,63,741	(47.32)	4,794	1,282
Total	28,855	5,74,498	(49.60)	7,331	1,448

Previous FY (2024-25)

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% Increase/ decrease in the number of complaints received over the Previous year	Number of complaints pending at the end of year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Internet/ Mobile/ Electronic Banking	12,262	4,04,168	(17.46)	3,386	589
ATM/ Debit Cards	5,054	3,83,578	21.04	1,806	195
Account opening/difficulty in operation of accounts	458	23,394	8.40	254	21
Loans and advances	332	10,734	24.90	364	50
Pension and facilities for senior citizens/differently abled	225	7,444	(48.77)	107	4
Others	14,020	3,10,512	11.32	22,938	8,175
Total	32,351	11,39,830	0.85	28,855	9,034

*As per Master List for identifying grounds of complaints as provided in Appendix 1 to circular CEPD.CO.PR.D.Cir.No.01/13.01.013/2020-21 dated January 27, 2021 on 'Strengthening the Grievance Redress Mechanism of Banks'.

12. DISCLOSURE OF PENALTIES IMPOSED BY THE RESERVE BANK OF INDIA

12.a Banking Regulation Act, 1949

Current Year (FY Ended 31.03.2026)	Previous Year (FY Ended 31.03.2025)
A regulatory penalty amounting to ₹29.60 Lakh (Rupees Twenty-Nine Lakhs and Sixty Thousand) has been imposed on the Bank by RBI vide order dated 17.04.2025 for non-compliance with certain directions on issued by RBI on 'Customer Services in Bank.'	A regulatory penalty amounting to ₹131.80 Lakh (Rupees One Crores Thirty-One Lakh and Eighty Thousand) has been imposed on the Bank by RBI vide order dated 03.07.2024 for non-compliance with certain RBI directions on 'Loans and Advances – Statutory and other Restrictions' and Reserve Bank directions on 'Know Your Customer (KYC) Directions 2016'

12.b No penalty has been imposed on the bank for the contravention under the provisions of Payment and Settlement Systems Act, 2007.

12.c No penalty has been imposed on the bank for contravention under the provisions of Government Securities Act, 2006 (for bouncing of SGL).

12.d Disclosure relating to default under Reverse Repo Transaction:

Particulars	Current Year	Previous Year
Number of instances	Nil	Nil
Quantum of penalty paid to RBI (in ₹)	Nil	Nil

13. DISCLOSURE ON REMUNERATION OF WHOLE TIME DIRECTORS / CHIEF EXECUTIVE OFFICER

(₹ in Crore)			
Name	Designation	Current Year	Previous Year
Shri Ashok Chandra	Managing Director & CEO	0.52	0.09
Shri M Paramasivam	Executive Director	0.69	0.60
Shri Bibhu Prasad Mahapatra	Executive Director	0.67	0.48
Shri D. Surendran	Executive Director	0.47	0.01
Shri Amit Srivastav	Executive Director	0.17	-
Shri Atul Kumar Goyel	Ex-MD & CEO	0.16	0.58
Shri Vijay Dube	Ex-Executive Director	-	0.08
Shri Kalyan Kumar	Ex-Executive Director	1.23	0.61
Shri Binod Kumar	Ex-Executive Director	0.17	0.51
Total		4.08	2.96

14. OTHER DISCLOSURE

14.a Business Ratios

Particulars	As at 31.03.2026	As at 31.03.2025
Interest Income as a percentage to Working Funds	6.76%	7.13%
Non-interest income as a percentage to Working Funds	0.99%	0.96%
Cost of Deposits	5.16%	5.23%
Net Interest Margin	2.57%	2.93%
Operating Profit as a percentage to Working Funds	1.55%	1.57%
Return on Assets	0.89%	0.97%
Business (Deposits plus Advances) per employee (₹ in Crores)	29.20	26.86
Profit per employee (₹ in Crores)	0.18	0.17

14.b Bancassurance Business

Details of Fees/ Brokerage earned in respect of Insurance broking, agency and bancassurance business undertaken by the Bank:

Particulars	Current Year	Previous Year
i. Life Insurance Business	333.60	358.45
ii. Non-life Insurance Business	94.49	113.86
iii. Prime Minister Jeevan Jyoti Bima Yojana (PMJJBY)	7.55	5.12
iv. Prime Minister Suraksha Bima Yojna	3.03	2.57
TOTAL	438.67	480.00

14.c Marketing and Distribution

Details of Fee/remuneration received in respect of the marketing and distribution function (excluding bancassurance business) undertaken by the Bank:

Particulars	Current Year	Previous Year
i. Mutual Fund Business	12.33	11.27
ii. Atal Pension Yojna (APY)	17.20	13.96
iii. Income / Commission on Aadhar	1.18	0.91
iv. Pension	92.60	101.94
v. Taxes & Others	20.08	40.93
vi. Govt. Deposit Scheme	17.33	17.02
vii. Currency Chest	2.69	2.10
TOTAL	163.41	188.13

14.d Disclosures regarding Priority Sector Lending Certificates (PSLCs)

Sr. No.	Types of PSLCs	Current Year		Previous Year	
		Bought	Sold	Bought	Sold
1.	Agriculture	15,000.00	0.00	10,000.00	5,500
2.	Small and Marginal Farmers	28,000.00	1000.00	25,356.00	0.00
3.	Micro Enterprises	18,000.00	0.00	5,000.00	0.00
4.	General	0.00	0.00	18,000.00	0.00
TOTAL		61,000.00	1000.00	58,356.00	5,500
Fee Paid/ Received for PSLCs purchased/ Sold (Excluding GST)		968.44	7.08	512.17	36.80

14.e Provisions and Contingencies

Provision debited to Profit & Loss Account	Current Year	Previous Year
i. Provisions for NPI / Impairment	(1,233.26)	(11.65)
ii. Provision towards NPA	2,004.30	1,896.83
iii. Provision made towards Income Tax	9,845.71	8,525.87

Provision debited to Profit & Loss Account	Current Year	Previous Year
- Current Tax	1,516.06	6,927.81
- Deferred Tax	8,329.65	1,598.06
iv. Provision towards Standard Assets	142.94	(225.28)
v. Other Provisions and Contingencies (with details)	1625.95	14.70
- Standard Restructured including FITL	19.11	(77.82)
- Others	1,606.84	92.52
TOTAL	12,385.64	10,200.47

14.f Payment of DICGC Insurance Premium

Sr. No.	Particulars	Current Year	Previous Year
i.	Payment of DICGC Insurance Premium	2,113.02	1,871.34
ii.	Arrears in payment of DICGC premium	NIL	NIL

14.g Portfolio-level information on the use of funds raised from green deposits

Particulars	Current Year	Previous Year	Cumulative* Up to 31.03.2026	Cumulative* Up to 31.03.2025
Total green deposits raised (A)	609.96	394.31	1,004.27	394.31
Use of green deposit funds**				
1. Renewable Energy	608.61	123.07	731.68	123.07
2. Energy Efficiency	0.00	0.00	0.00	0.00
3. Clean Transportation	1.35	271.24	272.59	271.24

Particulars	Current Year	Previous Year	Cumulative* Up to 31.03.2026	Cumulative* Up to 31.03.2025
4. Climate Change Adaptation	0.00	0.00	0.00	0.00
5. Sustainable Water and Waste Management	0.00	0.00	0.00	0.00
6. Pollution Prevention and Control	0.00	0.00	0.00	0.00
7. Green Buildings	0.00	0.00	0.00	0.00
8. Sustainable Management of Living Natural Resources and Land Use	0.00	0.00	0.00	0.00
9. Terrestrial and Aquatic Biodiversity Conservation	0.00	0.00	0.00	0.00
Total Green Deposit funds allocated (B = Sum of 1 to 9)	609.96	394.31	1,004.27	394.31
Amount of Green Deposit funds not allocated (C = A - B)	0.00	0.00	0.00	0.00
Details of the temporary allocation of green deposit proceeds pending their allocation to the eligible green activities/projects	0.00	0.00	0.00	0.00

* This contains the cumulative amount since the RE started offering green deposits. For example, if a bank has commenced raising green deposits from June 1, 2023, then the annual financial statement for the period ending March 31, 2026, would contain particulars of deposits raised and allocated from June 1, 2023, till March 31, 2026. Further, the actual amount of green deposits raised during the quarter and use of such funds shall be given under this disclosure.

**Under each category, REs may provide sub-categories based on the funds allocated to each sub-sector. For example, REs may provide sub-categories like solar energy, wind energy, etc. under "Renewable Energy".

15. OTHER DISCLOSURE WITH RESPECT TO CERTAIN ACCOUNT STANDARDS

15.a Accounting Standard 5 - Net Profit or Loss for the period, Prior Period Items and Change in Accounting Policy

During the Current and Previous year there were no material prior period income/ expenditure items requiring disclosure under Accounting Standard 5.

There is no material impact of changes in Significant Accounting Policies followed for preparation of financial results for the quarter as compared to those followed for the preparation of financial statements for the quarter ended December 31, 2025.

To the extent of impact of these guidelines, the corresponding previous periods' / year's figures are not comparable with that of the current period.

15.b Accounting Standard 9 - Revenue Recognition

Certain items of income are recognized on realization basis as per Accounting Policy No. 3.5. However, the said income is not considered to be material.

(Previous year: Certain items of income are recognized on realization basis as per Accounting Policy No. 3.5. However, the said income is not considered to be material).

15.c Accounting Standard 10 - Properties, Plant and Equipment

Break-up of total depreciation for the current Financial Year, for each class of assets:

(₹ in Crore)

Class of assets	Current Year	Previous Year
Premises	207.12	147.34
Other fixed assets	853.06	676.75
Leased assets	0.00	0.00
Computer software	211.50	123.48
Total	1271.68	947.57

15.d Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates

Movement of Exchange Fluctuation Reserve

(₹ in Crore)

Particulars	Current Year	Previous Year
Opening balance	257.93	238.88
Addition/Deduction during the quarter ended due to change in Profit & Loss account	19.58	1.96
Addition/Deduction during the quarter ended due to translation of Assets & Liabilities	101.67	17.09
Closing Balance	379.18	257.93

15.e Accounting Standard 15 - Employee Benefits

Disclosure in accordance with AS - 15(R) - In line with the accounting policy and as per the Accounting Standard - 15(R), the summarized position of employment benefits is as under:

15.e.i Defined Benefit Plans

Table I - Principal Actuarial Assumptions and the basis of these assumptions

Actuarial Assumptions	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Discount Rate	7.36%	6.79%	7.33%	6.78%	7.33%	6.78%
Expected return on Plan Assets	7.36%	6.79%	7.33%	6.78%	7.33%	6.78%
Rate of Escalation in Salary	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Attrition Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Table II - Changes in Present Value of the Obligation

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Present value of the obligation at the beginning of the year	56,210.33	51,990.77	4,086.34	3,901.43	4,450.75	3,923.67
Add: Interest Cost	3,707.73	3,653.00	253.12	255.49	262.38	240.68
Add: Current Service Cost	457.27	446.11	248.53	221.41	536.99	488.55
Add: Past Service Cost	0.00	0.00	0.00	0.00	0.00	0.00
Actuarial (Gains) / Losses on obligations (Balancing Figure)	1,079.64	4,763.73	392.67	269.52	(345.66)	105.24
Less: Benefits Paid	4,639.97	4,643.28	442.71	561.51	274.78	307.39
Present value of obligation as at the end of year	56,815.00	56,210.33	4,537.95	4,086.34	4,629.68	4,450.75

Table III - Changes in the FV of Plan Assets

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Fair Value of Plan Assets, as at the beginning of the year	55,515.39	50,876.65	3,957.17	3,860.18	4,448.10	3,919.56
Add: Expected return on Plan Assets	3,660.54	3,572.22	251.87	260.49	278.76	257.97
Add: Contribution paid by Bank	2,819.05	4,959.74	377.42	343.75	207.40	508.36
Add: Actuarial (Loss) / Gain on Plan Assets (Balancing Figure)	515.85	750.06	46.80	54.26	81.96	69.60
Less: Benefits Paid	4,639.97	4,643.28	442.71	561.51	274.78	307.39
Fair Value of Plan Assets, as at the end of the year	57,870.86	55,515.39	4,190.55	3,957.17	4,741.44	4,448.10

Table IV – Actual Return on Plan Assets

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Expected return on Plan Assets	3,660.54	3,572.22	251.87	260.49	278.76	257.97
Add: Actuarial (Loss) / Gain on Plan Assets	515.85	750.06	46.80	54.26	81.96	69.60
Actual return on Plan Assets	4,176.39	4,322.08	298.67	314.75	360.72	327.57

Table V – Net Actuarial (Gain) / Loss Recognized

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Actuarial (Gain) / Loss for the period – Obligations	1,079.64	4,763.73	392.67	269.52	(345.66)	105.24
Actuarial (Gain) / Loss for the period – Plan Assets	(515.85)	(750.06)	(46.80)	(54.26)	(81.96)	(69.60)
Total (Gain) / Loss for the period	563.79	4013.67	345.87	215.26	(427.62)	35.64
Actuarial (Gain) / Loss recognized in the year	563.79	4013.67	345.87	215.26	(427.62)	35.64
Unrecognized Actuarial (Gain) / Loss at the end of the year	-	-	-	-	-	-

Table VI – Amount recognized in Balance Sheet

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Present value of Defined Benefit Obligation	56,815.00	56,210.33	4,537.95	4,086.34	4,629.68	4,450.75
Less: Fair value of Plan Assets	57,870.86	55,515.39	4,190.55	3,957.17	4,741.44	4,448.10
Deficit / (Surplus)	(1,055.86)	694.94	347.40	129.17	(111.76)	2.65
Net Liability/ (Asset)	(1,055.86)	694.94	347.40	129.17	(111.76)	2.65
Amounts in the Balance Sheet	-	-	-	-	-	-
Liability Recognized in the Balance Sheet	(1,055.86)	694.94	347.40	129.17	(111.76)	2.65
Assets Recognized in the Balance Sheet (on Family Pension liability)	-	-	-	-	-	-
Net Liability/ (Asset)	(1,055.86)	694.94	347.40	129.17	(111.76)	2.65
Negative amount determined under Paragraph 55 of AS-15 (R)	-	-	-	-	-	-
Present value of available refunds and reductions in future contributions	-	-	-	-	-	-
Asset recognized as per Paragraph 59 (b) of AS-15 (R)	-	-	-	-	-	-

Table VII – Expensed to be recognized in Profit and Loss Account

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Current Service Cost	457.27	446.11	248.53	221.41	536.99	488.55
Add: Interest cost	3,707.73	3,653.00	253.12	255.49	262.38	240.68
Less: Expected return on Plan assets	(3,660.54)	(3,572.22)	(251.87)	(260.49)	(278.76)	(257.97)
Add: Net Actuarial (Gain) / Loss recognized in year	563.79	4,013.67	345.87	215.26	(427.62)	35.64
Add: Past Service Cost-Recognized (on Family Pension liability)	-	-	-	-	-	-
Expenses recognized in the statement of profit and loss	1,068.25	4,540.56	595.65	431.67	92.99	506.90

Table VIII – Movement in Net Liability to be recognized in Balance Sheet

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Opening Net Liability	694.94	1,114.12	129.17	41.25	2.65	4.11
Add: Expense	1,068.25	4,540.56	595.66	431.67	92.99	506.90
Less: Contributions Paid	(2,819.05)	(4,959.74)	(377.42)	(343.75)	(207.40)	(508.36)
Less: Benefits Paid by the company	-	-	-	-	-	-
Closing Net Liability/ (Asset) recognized in B/S in current year)	(1,055.86)	694.94	347.40	129.17	(111.76)	2.65

Table IX – Amount for the Current Period

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Present value of Obligation	56,815.00	56,210.33	4,537.95	4,086.34	4,629.68	4,450.75
Less: Fair value of Plan Assets	57,870.86	55,515.39	4,190.55	3,957.17	4,741.44	4,448.10
Surplus / (Deficit)	1,055.86	(694.94)	(347.40)	(129.17)	111.76	(2.65)
Experience Adjustments in Plan Liabilities - Loss/ (Gain)	836.81	2,299.69	661.00	114.23	(257.18)	(55.61)
Experience Adjustments in Plan Assets (Loss) / Gain	515.85	750.06	46.80	54.26	81.96	69.60

Table X - Major Categories of Plan Assets (As percentage of Total Plan Assets) as Managed by Trust

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Government of India Securities	1.14%	2.08%	2.04%	3.64%	0.00%	0.00%
State Govt. Securities	8.93%	9.39%	8.98%	9.51%	0.00%	0.00%
High Quality Corporate Bonds	4.17%	4.66%	2.94%	3.24%	0.00%	0.00%
Equity Shares of listed companies/ Mutual fund investments	0.11%	0.19%	0.12%	0.22%	0.00%	0.00%
Property	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Special deposit scheme/ FDRs	0.03%	2.26%	0.02%	1.64%	0.00%	0.00%
Funds managed by Insurer/ Investment in Life Insurance Companies	84.62%	78.11%	84.92%	79.12%	100.00%	100.00%
Other Deposits, Accruals etc.	1.00%	3.31%	0.98%	2.63%	0.00%	0.00%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table XI - Enterprise's Best Estimate of Contribution during Next Year

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2027	31.03.2026	31.03.2027	31.03.2026	31.03.2027	31.03.2026
Bank's best estimate of Contribution during next year	990.00	2,090.00	320.00	260.00	430.00	420.00

Table XII - Other Long Term employee benefits (Unfunded)

Particulars	Sick Leave & Other Leaves (Unfunded)		Leave Fare concession (Unfunded)		Silver Jubilee Bonus (Unfunded)	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Present Value of Obligation	1,379.85	1,320.85	87.96	87.87	25.50	25.26
Opening Balance of Transitional Liability	-	-	-	-	-	-
Transitional Liability recognized in the year	-	-	-	-	-	-
Closing Balance of Transitional Liability	-	-	-	-	-	-
Liability Recognized in Balance Sheet	1,379.85	1,320.85	87.96	87.87	25.50	25.26

Particulars	Basis of Assumptions
Discount Rate	Discount Rate has been determined by reference to market yields at the balance Sheet date on Government bonds (published by FBIL) of terms consistent with currency and estimated term of the obligations.
Expected Rate of Return on Plan Assets	It is assumed that return on the plan assets pertaining to the Pension will be 7.36% and for Gratuity and Leave Encashment fund will be 7.33% p.a.
Salary Escalation Rate (SER)	Based on the broad guidance provided by IBA, SER for the bank has been taken at 6.00% p.a.
Attrition Rate	Attrition rate is assumed at 1% taken with reference to past experience and expected future experience related to voluntary withdrawals.

15.e.ii Defined Contribution Plans

The details of contribution are as under: -

		(₹ in Crore)
During the Financial Year Ended 31.03.2026 = ₹1701.49	}	Contribution includes both Bank + Employee contribution
During the Financial Year Ended 31.03.2025 = ₹1551.89		

15.f Accounting Standard 17 - Segment Reporting

Segment Identification

- A. **Primary (Business Segment):** The following are the primary segments of the Bank.
- i. **Treasury:** The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.
- ii. **Retail Banking:** As per RBI (Commercial Banks - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, Retail Banking shall include exposures which fulfil the four criteria of orientation, product, granularity, and low value of individual exposures for retail exposures laid down in RBI

(Commercial Banks - Prudential Norms on Capital Adequacy) Directions, 2025. Individual housing loans will also form part of Retail Banking segment for this purpose.

As per RBI guidelines, for the purpose of disclosure under Accounting Standard 17, Segment Reporting, Digital Banking Segment has been identified as sub-segment under Retail Banking by Reserve Bank of India (RBI). As on March 31, 2026, 8 (eight) Digital Banking Units (DBUs) of the Bank are operational and the segment information disclosed as Digital Banking under Retail Banking Operations is related to the said DBUs.

- iii. **Corporate / Wholesale Banking** includes all advances which are not included under 'Retail Banking'.
- iv. **Other Banking Operations:** Segments not classified under (i) to (iii) above are classified under this primary segment.

B. Secondary (Geographical Segment)

- i. Domestic Operations - Branches/ Offices having operations in India.

ii. Foreign Operations - Branches/Offices having operations outside India and offshore banking units having operations in India.
- ii. Expenses not directly attributable are allocated on the basis of Interest income earned by the wholesale banking / retail banking segment/ other banking segment.

iii. Capital employed for each segment is calculated based on the assets and liabilities of that particular segment.

iv. The Bank has certain common assets and liabilities, which cannot be attributed to any segment, and the same are treated as unallocated.

C. Basis of Allocation:

- i. The interest income is allocated on the basis of actual interest received from different segments.

Segment Information

Part A Business Segments (Standalone)

Current FY (2025-26)

(₹ in Crore)

Business Segment	Treasury	Corporate/ Wholesale Banking	Retail Banking			Other Banking Operations	Total
			Digital Banking	Other Retail Banking	Total		
Revenue	43,229.46	56,156.75	0.56	43,706.85	43,707.41	3,923.54	1,47,017.16
Result	11,128.32	12,131.14	(7.77)	9,568.42	9,560.65	1,000.49	33,820.60
Unallocated Expenses							7,070.90
Operating Profit*							26,749.70
Provision for Tax							9,845.71
Extraordinary items							-
Net profit							16,903.99
Other Information							
Segment Assets	5,29,235.72	8,55,925.20	9.70	5,02,455.49	5,02,465.19	64,789.01	19,52,415.12
Unallocated Assets							33,477.35
Total Assets							19,85,892.47
Segment Liabilities	4,98,705.87	8,06,549.73	48.24	4,73,431.41	4,73,479.65	61,051.55	18,39,786.80
Unallocated Liabilities							3,455.93
Total Liabilities							18,43,242.73
Capital Employed	30,529.85	49,375.47	(38.54)	29,024.08	28,985.54	3,737.46	1,12,628.32
Unallocated Capital Employed							30,021.42
Total Capital Employed							1,42,649.74

*Operating profit is after deduction of Provision, other than Tax.

Previous FY (2024-25)

(₹ in Crore)

Business Segment	Treasury	Corporate/ Wholesale Banking	Retail Banking			Other Banking Operations	Total
			Digital Banking	Other Retail Banking	Total		
Revenue	38,594.12	58,222.41	0.33	37,963.83	37,964.16	3,289.41	1,38,070.10
Result	9,831.94	11,612.80	(7.39)	8,250.74	8,243.35	1,330.89	31,018.98
Unallocated Expenses							5,862.91
Operating Profit							25,156.07
Provision for Tax							8,525.87
Extraordinary items							0.00
Net profit							16,630.20
Other Information							
Segment Assets	5,25,192.88	7,74,267.31	2.48	4,31,876.27	4,31,878.75	45,726.45	17,77,065.39
Unallocated Assets							41,105.34
Total Assets							18,18,170.73
Segment Liabilities	4,98,714.05	7,35,230.80	34.05	4,10,070.52	4,10,104.57	43,421.03	16,87,470.45
Unallocated Liabilities							3,338.03
Total Liabilities							16,90,808.48
Capital Employed	26,478.83	39,036.51	(31.57)	21,805.75	21,774.18	2,305.42	89,594.94
Unallocated Capital Employed							37,767.31
Total Capital Employed							1,27,362.25

Part B Geographical Segments (Standalone)

Current FY (2025-26)

(₹ in Crore)

Particulars	Domestic	International	Total
Revenue	1,42,305.77	4,711.39	1,47,017.16
Assets	18,69,058.37	1,16,834.10	19,85,892.47

Previous FY (2024-25)

(₹ in Crore)

Particulars	Domestic	International	Total
Revenue	1,33,510.24	4,559.86	1,38,070.10
Assets	17,25,078.74	93,091.99	18,18,170.73

Notes:

1.Segment Liabilities are distributed in the ratio of their respective Segment Assets.

2.Figures for the previous period have been re-grouped/re-classified wherever necessary.

15.g Accounting Standard 18 - Disclosure of Related Parties as per Accounting Standard - 18 issued by ICAI:

Names of Related Parties and their relationship with the bank:

A. Key Management Personnel (KMP):

- i. Shri Ashok Chandra, Managing Director & CEO
- ii. Shri Kalyan Kumar, Executive Director (From 21.10.2021 to 30.09.2025)
- iii. Shri M. Paramasivam, Executive Director
- iv. Shri Bibhu Prasad Mahapatra, Executive Director
- v. Shri D. Surendran, Executive Director
- vi. Shri Amit Kumar Srivastav, Executive Director

B. Subsidiaries:

- i. PNB Gilts Ltd.
- ii. PNB Investment Services Ltd.
- iii. PNB Cards and Services Ltd.
- iv. PNB International Ltd., UK.
- v. Druk PNB Bank Ltd, Bhutan.

C. Associates:

- i. PNB Metlife India Insurance Co. Ltd
- ii. PNB Housing Finance Limited
- iii. Everest Bank Limited, Kathmandu, Nepal
- iv. Bihar Gramin Bank, Patna^
- v. Himachal Pradesh Gramin Bank, Mandi
- vi. Punjab Gramin Bank, Kapurthala
- vii. Haryana Gramin Bank, Rohtak
- viii. Assam Gramin Bank, Guwahati
- ix. West Bengal Gramin Bank, Kolkata^
- x. Manipur Rural Bank, Imphal
- xi. Tripura Gramin Bank, Agartala
- xii. JSC (Tengri Bank), Almaty, Kazakhstan.*

^Pursuant to Gazette notification no. 1604 dated 05.04.2025, on Phase IV Amalgamation, w.e.f. 01.05.2025, Prathama UP Gramin Bank has been amalgamated to Utter Pradesh Gramin Bank, while Utter Bihar Gramin Bank (earlier sponsored by Central Bank of India) have been amalgamated with Dakshin Bihar Gramin Bank to form Bihar Gramin Bank and Paschim Banga Gramin Bank (sponsored by UCO Bank) and Uttarbanga Kshetriya Gramin Bank, (sponsored by Central Bank of India) have been amalgamated with Bangiya Gramin Vikash Bank to form West Bengal Gramin Bank.

*AFR (Agency for Regulation and Development of Financial Market, Kazakhstan) revoked license of JSC Tengri Bank, w.e.f. 18.09.2020 which is under liquidation.

Note- Canara HSBC Life Insurance Company Ltd. has ceased to be an Associate of the Bank w.e.f. 17.10.2025 as the Bank's shareholding in the company declined from 23% to 13% following the sale of shares through an OFS-IPO.

Transaction with Related Parties:

Particulars	Associates/ Joint ventures	KMP	Total	Associates/ Joint ventures	KMP	Total
Outstanding as at	31.03.2026			31.03.2025		
Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Deposits	841.57	0.00	841.57	922.67	0.00	922.67
Advances#	7,392.29	0.00	7,392.29	5,149.99	0.00	5,149.99
Placement of Deposits	0.00	0.00	0.00	0.00	0.00	0.00

Particulars	Associates/ Joint ventures	KMP	Total	Associates/ Joint ventures	KMP	Total
Outstanding as at	31.03.2026			31.03.2025		
Leasing/HP arrangements availed	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00
Sales of Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00
Leasing/HP arrangements provided	0.00	0.00	0.00	0.00	0.00	0.00
Investments	1,121.13	0.00	1,121.13	1,121.13	0.00	1,121.13
Other Assets	90.89	0.00	90.89	86.34	0.00	86.34
Non-Fund Commitments (LCs/ BGs)*	43.90	0.00	43.90	48.82	0.00	48.82
Maximum Outstanding during	FY 2025-26			FY 2024-25		
Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Deposits	1,110.81	0.00	1,110.81	894.89	0.00	894.89
Advances	7,392.29	0.00	7,392.29	5,149.99	0.00	5,149.99
Placement of Deposits	0.00	0.00	0.00	0.00	0.00	0.00
i) Bank balances (including Current account/short term deposit)**	16.28	0.00	16.28	83.47	0.00	83.47
Leasing/HP arrangements availed	0.00	0.00	0.00	0.00	0.00	0.00
Leasing/HP arrangements provided	0.00	0.00	0.00	0.00	0.00	0.00
Investments	1,121.13	0.00	1,121.13	1,121.13	0.00	1,121.13
Issuance of Unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures to Punjab National Bank	0.00	0.00	0.00	0.00	0.00	0.00
Other Assets	92.12	0.00	92.12	97.79	0.00	97.79
Non-Fund Commitments (LCs/ BGs)*	43.61	0.00	43.61	48.82	0.00	48.82
During the Year	FY 2025-26			FY 2024-25		
Interest Paid	3.07	0.00	3.07	1.83	0.00	1.83
Income earned by way of Dividend	21.06	0.00	21.06	7.00	0.00	7.00
Other Income	414.72	0.00	414.72	410.79	0.00	410.79
Interest Received	609.44	0.00	609.44	553.38	0.00	553.38

Particulars	Associates/ Joint ventures	KMP	Total	Associates/ Joint ventures	KMP	Total
During the Year	FY 2025-26			FY 2024-25		
Other expenditure	2.62	0.00	2.62	38.76	0.00	38.76
Profit/Loss on sale of land/building and other Assets	0.00	0.00	0.00	0.00	0.00	0.00
Sale of Investments	0.00	0.00	0.00	0.00	0.00	0.00
Management Contracts	0.00	0.00	0.00	0.00	0.00	0.00
Rendering of Services	0.00	0.00	0.00	0.00	0.00	0.00
Receiving of Servises	0.00	0.00	0.00	0.00	0.00	0.00
Other Transactions	10,834.83	0.00	10,834.83	7,167.27	0.00	7,167.27
i) Principal received on assignment of loans from PNBHFL	515.33	0.00	515.33	575.63	0.00	575.63
ii) Term loan given by PNB ^	2,950.00	0.00	2,950.00	4,525.00	0.00	4,525.00
iii) Term loan repaid by PNBHFL^	2,221.45	0.00	2,221.45	2,066.64	0.00	2,066.64
iv) ECB Raised	1,118.05	0.00	1,118.05	0.00	0.00	0.00
v) Fixed deposit made with PNB	2,015.00	0.00	2,015.00	0.00	0.00	0.00
vi) Fixed deposit redeemed by PNB	2,015.00	0.00	2,015.00	0.00	0.00	0.00

*₹0.25 Crores Bank Guarantee obtained from PNB and given to UIDAI towards Aadhar authentication services availed has not been considered as credit facility. The validity of Bank guarantee has been extended for additional period of 3 years (upto 23rd August 2030).

₹0.04 Crores Bank Guarantee obtained from PNB and given to National Stock Exchange Limited towards issuance of Non-convertible Debenture has not been considered as credit facility. The Bank guarantee is valid up to January 24, 2032 and claim period shall be six months after expiry of the validity period.

**Bank Balance as per PNB MetLife's books of accounts.

Notes from PNBHFL

#Outstanding balance includes USD 35 million which has been purchased by Punjab National Bank from HSBC bank in secondary market.

^Excluding transactions related to rollover of STL availed and repaid against sanction of ₹1200 Croress (i.e. ₹ 1,200 Croress has been considered only once during the period).

Notes

1. The transactions with the subsidiaries and certain associates have not been disclosed in view of para-9 of AS-18 'Related Party Disclosure', which exempts state controlled enterprises from making any disclosures pertaining to their transactions with other related parties, which are also state controlled.

2. Further, in terms of Paragraph 5 of AS 18, transactions in the

nature of Banker-Customer relationship have not been disclosed including those with Key Management Personnel and relatives of Key Management Personnel.

3. The amounts reported are net of provision, if any.

4. Figures related to previous year and have been regrouped / rearranged / reclassified wherever necessary.

15.h Accounting Standard 19 - Lease

15.h.i Operating lease primarily comprise office premises, which are renewable at the option of the bank normally at the end of every 3rd / 5th year.

15.h.ii As per the information available, non-cancellable lease as on 31.03.2026: Nil (Previous Period as on 31.03.2025: Nil).

15.h.iii Bank has created a lease equalization reserve of ₹29.74 Crores on the straight-line method for the period ended 31st March 2026 and previous year ended 31st March 2025 ₹24.41 Crores.

15.h.iv The amount of lease payment recognized in P & L Account for operating lease is as below:

(₹ in Crore)		
Particulars	Current Year	Previous Year
No. of Leased / Rented Premises	14,791	14,909
Amount (₹ in Crores)	929.05	868.27

15.i Accounting Standard 20 - Earning Per Share

Sr. No.	Particulars	Current Year	Previous Year
A.	EPS - Basic / Diluted (₹) (non-annualized)	14.71	14.77
B.	Amount used as numerator Profit/ (Loss) after tax (₹ in Thousands)	16,90,39,895	16,63,02,012
C.	Nominal value of share (₹)	2.00	2.00
D.	Weighted average number of equity shares used as the denominator	11,49,29,43,268	11,25,66,00,638

15.j Accounting Standard 22 - Accounting for Taxes on Income

15.j.i The Bank has recognized deferred tax assets and liability as per accounting policy no. 10. Major components of which are set out below:

(₹ in Crore)		
Particulars	Current Year	Previous Year
Deferred Tax Assets (DTA)		
Provision for Leave encashment & others	377.14	475.03
Provision for bad & doubtful debts	13,647.98	22,004.87
AFS Reserve	233.57	-

Particulars	Current Year	Previous Year
Depreciation on Fixed Assets	220.15	345.96
Other Contingencies	223.47	299.68
Total	14,702.31	23,125.54
Deferred Tax Liabilities (DTL)		
Special Reserve u/s 36 (1) (viii) of Income Tax Act 1961.	1,654.92	1,982.07
AFS Reserve	-	203.87
Total	1,654.92	2,185.94
Net Deferred Tax Assets / Liabilities	13,047.39	20,939.60

Current year: The net deferred tax assets of ₹ 8,329.65 Crores is debited to Profit and Loss Account for the year ended 31.03.2026. (Previous Year: Debited ₹1,598.06 Cr).

Current year: The deferred tax assets of ₹233.57 Crores have been credited to AFS reserve for the Financial year ended 31.03.2026. (Previous Year: ₹203.87 Crores)

15.j.ii Current Tax: During the current FY ended 31.03.2026 the Bank has debited ₹1,516.05 Crores to Profit & Loss Account. (Previous year 31.03.2025: Debited ₹6,927.80 Crores) on account of current tax. Accordingly, the total tax expenses on account of current tax and deferred tax charged to Profit and Loss account amounts to ₹9,845.70 Crores.

15.j.iii During the quarter ended 30.06.2025, the Bank decided to exercise option of lower tax regime under Section 115BAA of the Income Tax Act, 1961 with effect from FY 2025-26 (AY 2026-27). Accordingly, deferred tax assets were remeasured based on the tax

rate applicable as per new regime along with release of certain income tax provisions which were no longer required, resulting in one time charge of ₹3,324.24 Crores in the profit and loss account. The Tax expenses for the half year ended 31.03.2026 have been measured at the applicable rates as per Section 115BAA of the Income Tax Act, 1961.

15.j.iv Tax Paid in advance/Tax deducted at source appearing under "Other Assets" includes disputed amount adjusted by the department/paid by the Bank in respect of tax demands for various assessment years.

15.j.v No provision is considered necessary in respect of disputed Income Tax demands of ₹10,647.16 Crores as on FY ended 31.03.2026 (Previous financial year ended 31.03.2025 - ₹11,413.24 Crores) as in the Bank's view, duly supported by expert opinion and/or decision in Bank's own appeals on same issues, additions / disallowances made are not sustainable.

15.j.vi The current tax expenses and deferred tax expenses are determined in accordance with the provisions of the Income Tax Act, 1961 and as per the Accounting Standard 22- "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India respectively. The current Tax in India has been calculated in accordance with the provisions of Income Tax Act 1961 after taking appropriate relief for taxes paid on foreign jurisdiction.

15.k Accounting Standard 23 - Accounting for Investments in Associates, in Consolidated Financial Statements

Since Investments of the bank in its Associates are participative in nature and the Bank having the power to exercise significant influence on their activities, such Investments are recognized in the Consolidated Financial Statements of the Bank.

(Previous year: Since Investments of the bank in its Associates are participative in nature and the Bank having the power to exercise significant influence on their activities, such Investments are recognized in the Consolidated Financial Statements of the Bank).

15.l Accounting Standard 24 - Discontinuing Operations

During the period from 01.04.2025 to 31.03.2026, the Bank has not discontinued any operations of any of its branches, which resulted in shedding of liability and realization of assets and no decision has been finalized to discontinue an operation in its entirety which have the above effect.

(Previous year: During the previous financial year (FY 2024-25), the Bank has not discontinued any operations of any of its branches, which resulted in shedding of liability and realization of assets and no decision has been finalized to discontinue an operation in its entirety which have the above effect).

15.m Accounting Standard 26 - Intangible Assets

Particulars	Useful life (No. of Years)	Amortization rates used	Amortization Method
Software	03	33.33%	Straight Line Method

Intangible Assets

(₹ in Crore)

Particulars	Gross Block					Amortization				Net Block	
	As at 01.04.25	Addition	Other adjustments	Reclassifications / Deletions	As at 31.03.2026	As at 01.04.25	For the year	Reclassifications / Deletions	As at 31.03.2026	As at 31.03.2026	As at 31.13.25
Software	1,644.75	395.55	0.24	0.67	2,041.21	1,286.46	211.50	0.55	1,498.51	542.70	358.53
Other											
If any, please specify	-	-	-	-	-	-	-	-	-	-	-
Total											
FY 2024-25	1,368.44	276.31	0.00	0.00	1,644.75	1,164.46	123.48	-1.48	1,286.46	358.29	

15.n Accounting Standard 28 - Impairment of Assets

A substantial portion of the bank's assets comprises 'Financial Assets' to which Accounting Standard 28 'Impairment of Assets' is not Applicable. In the opinion of the bank, there is impairment of ₹17.92 crores of its assets (to which the standard applies) to any material extent as at 31.03.2026 requiring recognition in terms of the said standard.

(Previous Period: A substantial portion of the bank's assets comprises 'Financial Assets' to which Accounting Standard 28 'Impairment of Assets' is Not Applicable. In the opinion of the Bank, there is no impairment of its assets (to which the standard applies) to any material extent as at 31.03.2025 requiring recognition in terms of the said standard).

15.o Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets

15.o.i Movement of provisions for liabilities

(₹ in Crore)

Particulars	Current Year		Previous Year	
	Salary arrears	Legal cases/ Contingencies	Salary arrears	Legal cases/ Contingencies
Opening Balance	150.00	145.71	150.00	119.65
Addition / Provided during the year	-	52.40	0.00	54.66
Amounts used/ Reversed during the year	-	10.52	0.00	28.60
Closing Balance	150.00	187.61	150.00	145.71
Timing of outflow/uncertainties	On actual Payment	Outflow on settlement / crystallization	On actual Payment	Outflow on settlement / crystallization

15.o.ii Refer Schedule - 12 on Contingent Liabilities

Such liabilities at Sr. No.(I), (II), (III), (IV), (V) & (VI) are dependent upon the outcome of Court / arbitration / out of court settlement, disposal of appeals, the amount being called up, terms of contractual obligations, devolvement and raising of demand by concerned parties, respectively.

Other Disclosures**16. BANK'S DISCLOSURE IN RESPECT OF CREDIT EXPOSURES WHERE THE SAME HAD EXCEEDED THE PRUDENTIAL EXPOSURE****LIMITS AS PER LARGE EXPOSURE (LE) FRAMEWORK PRESCRIBED BY RBI FOR INDIVIDUAL/GROUP BORROWERS:**

Details of accounts where Bank has exceeded prudential exposure ceilings as per Large Exposure (LE) framework in respect of any Individual (Prescribed Ceiling 20% of Tier-1 Capital of the Bank) and Group Accounts (Prescribed Ceiling 25% of Tier-1 Capital of the Bank) based on Tier - 1 Capital of ₹1,16,234.90 Crores (Previous Year: ₹1,01,866.30 Crores) for LE framework.

Current FY 31.03.2026

(₹ in Crore)

Sr. No.	Name of the Borrower	Prescribed Ceiling (20% of Tier 1 Capital)	Exposure As on 31.03.2026	Total exposure as % of Tier 1 Capital as on 31.03.2026	O/s as on 31.03.2026	Total O/s Exposure as per LE Framework as % of Tier - 1 Capital as on 31.03.2026
A. Individual						
1.	SIDBI	23,246.98	24,458.47	21.04%*	24,458.47	21.04%
2.	NABARD	23,246.98	27,594.36	23.74%~	27,594.36	23.74%
B. Group						
1.	-	-	-	-	-	-

Previous FY 31.03.2025

(₹ in Crore)

Sr. No.	Name of the Borrower	Prescribed Ceiling (20% of Tier 1 Capital)	Exposure As on 31.03.25	Total exposure as % of Tier 1 Capital as on 31.03.2025	O/s as on 31.03.25	Total O/s Exposure as per LE Framework as % of Tier - 1 Capital as on 31.03.2025
A. Individual						
1.	NABARD	20,373.26	24,340.17	23.89%	24,340.16	23.89%
2.	SIDBI	20,373.26	24,151.72	23.71%	24,151.72	23.71%
B. Group						
1.	-	-	-	-	-	-

RBI Circular dated 03.06.2019 has given leverage of 5% over and above the ceiling of 20% of single counterparty under the Bank's Board Power. Board in its meeting dated 28.03.2017 has approved that bank may in exceptional circumstances consider enhancement of the exposure ceiling for single counterparty classified as Large Exposure up to 5% over and above ceiling of 20%.

* The same was approved by the Board in its meeting dated 16.11.2023.

~ The same was approved by the Board in its meeting dated 27.02.2024.

All the exposure (other than exempted exposure) of Individual and Group Accounts for the year ended 31.03.2026, are within the prescribed regulatory limits, as per LE Framework.

17. DISCLOSURE: LETTER OF COMFORT (LOC)**17.a Regarding RRBs**

As on 31.03.2026, PNB (as a Sponsor Bank) has issued Letters of Comfort in favour of Micro Units Development & Refinance Agency Limited (MUDRA Ltd.) on behalf of Manipur Rural Bank (MRB) and Bihar Gramin Bank (BGB) for enabling these Sponsored RRBs to become Member Lending Institutions (MLIs) for MUDRA Loans.

Based on the financials of MRB and Letter of Comfort issued by PNB, MUDRA has worked out the refinance limits for MRB for ₹ 3.25 Crores. However, MRB has not availed any refinance during the period April to March 2026. No refinance limit was fixed by MUDRA Ltd. for BGB during the FY 2025-2026.

17.b Regarding Subsidiaries and other Associates

"The Bank has issued a Letter of Comfort to Prudential Regulation Authority (PRA), the regulator in United Kingdom, committing that the bank shall provide financial support to its subsidiary, Punjab National Bank (International) Ltd., UK so that it meets its financial commitments as and when they fall due."

The said Letter of Comfort has been renewed on 15.03.2022 after seeking

approval of our Board in favor of PRA w.r.t. our subsidiary PNBIL wherein we have reiterated our commitment. The renewal was done as per instruction of PRA and RBI. Further, Annual assessment of impact of LOC was approved by the Board in its meeting held on 28.02.2026, as per which the Bank does not foresee any crystallization of financial obligation. Therefore, there is no financial impact on account of this LOC for FY 2025-26.

Apart from the above, the Bank has not issued any Letter of Comfort to Group Entities (subsidiaries and associates).

18. DISCLOSURE: LETTER OF UNDERTAKING (LOU)

The Bank has provided a Letter of Undertaking for PNB IBU Gift City Branch under Regulation 3 (3) of International Financial Service Centre Authority (IFSCA) that:

- "Bank will provide support and assistance (including liquidity, whenever needed) and as may be appropriate to enable the banking unit to meet its obligations in the course of its obligation".

Apart from the above the Bank has not issued any Letter of Comfort for overseas branches and there are no cumulative financial obligations under the Letter of Comfort.

19. REWARD POINTS OF CREDIT CARD

PNB Credit Card holders are rewarded as and when they make purchases through usage of Credit Card. Reward Points are generated at the time of usage of Credit Card by Cardholder at merchant Establishment. Card holders can redeem the accumulated reward points. The amount payable on account of reward points is charged to the Profit and Loss account and credited to Sundry Provision Account on daily basis.

Position of outstanding reward points of Credit Cards and Provision thereon:

Particulars	Current Year	Previous Year
Balance Reward Points outstanding	96,21,59,938	1,09,16,08,838
Provision held for these points (₹ in Crores) *	8.42	8.65

*The provision held against Rewards points in respect of Credit Cards has been worked out at ₹0.25 for 1 point. As per the latest actuary report on Trend Analysis of Credit Card rewards points redemption provision has been made @35% (Previous Period @31.69%) of accumulated Reward points.

20. DISCLOSURE RELATED TO NON-BANKING ASSETS

Particulars	Current Year	Previous Year
No. of Properties	12	12
Balance Outstanding (₹ in Crores)	24.67	24.67

21. CORPORATE DEBT SECURITIES LENT OR ACQUIRED UNDER REPO OR REVERSE REPO TRANSACTIONS

No corporate debt securities lent or acquired under Repo or Reverse Repo during the current financial year ended 31.03.2026 & previous financial year ended 31.03.2025.

22. As per RBI guidelines, the Bank worked out the amount of Inter Branch Credit entries outstanding for more than 5 years to create a Blocked Account. Accordingly, a sum of ₹ 614.00 (Previous Period ₹ Nil) [net of adjustments since carried out has been included under "Other Liabilities-others" in Schedule-5].

23. Premises include 12 properties amounting to ₹3.72 Crores (Cost) & depreciation amount to ₹2.47 Crores are awaiting registration of title deeds.

Previous Period (31.03.2025): Premises includes 10 properties amounting to ₹3.72 Crores (Cost) & depreciation amount to Rs. 2.40 Crores are awaiting registration of title deeds.

24. Premises include Capital work in progress of ₹443.71 Crores for the FY ended 31.03.2026 (in the previous FY ended 31.03.2025, ₹295.62 Crores).

25. Guidelines given in Micro, Small and Medium Enterprises Development Act 2006 have been complied with for purchases made during the FY ended March 2026 (FY 2025-26) and payments have been made to the Vendors in time as per Act. Since there had been no delay in payment, no penal interest applicable during FY ended March 2026 (FY 2025-26)

26. During the year ended 31.03.2026 (01.04.2025 to 31.03.2026) the Bank has revalued Immoveable Properties (forming part of Schedule 10) based on the reports obtained from external Independent valuers. The Revaluation Surplus amounting to ₹2,507.59 Crores. (Previous Year March 2025- Nil) is credited to the revaluation reserves.

27. The original cost of Fixed Assets is ₹1,746.30 Crores and Revaluation Reserve is ₹10,634.54 Crores after appreciation/depreciation as on 31.03.2026.

28. Depreciation on Revalued Portion of Premises for the Financial Year ended 31.03.2026 is ₹178.83 Crores (Previous quarter ended 31.03.2025 ₹100.09 Crores).-

29. As per 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 under the provisions of Insolvency & Bankruptcy Code (IBC), where the Bank is having exposure, the Bank is holding total provision of ₹6,774.86 Crores (Aggregate provision for RBI List 1 and List 2 accounts is 100%) as on 31.03.2026. (Previous Period: ₹6,749.62 Crores (Aggregate provision of RBI List 1 and List 2 accounts is 100%) as on 31.03.2025.)

30. As on March 31, 2026, the Bank is holding an additional provision of ₹107.24 Crores (additional provision outstanding at end of previous FY was

₹134.19 Crores) on standard accounts restructured under COVID 19 Resolution Framework 1.0 and 2.0, at higher than prescribed rate of 5%/10%, as per Bank's policy based on the evaluation of risk 5, and stress in these sectors, in terms of RBI Master Circular dated April 01, 2025 regarding Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances.

31. The Board of Directors has recommended a dividend of ₹3.00 per equity share (150%) for the year ended March 31, 2026, subject to requisite approvals.

32. Figures of the previous periods have been regrouped / rearranged / reclassified wherever necessary to conform to current period's classification.

PUNJAB NATIONAL BANK - STATEMENT OF STANDALONE CASH FLOW FOR THE YEAR ENDED MARCH 31, 2026

(Rs.000's omitted)

Particulars		Year Ended 31.03.2026 (Audited)	Year Ended 31.03.2025 (Audited)
A. Cash Flow from Operating Activities			
(I) Net Profit/ (Loss) before tax	(i)	26749,69,62	25156,06,67
(II) Adjustments for:			
Depreciation on Fixed Assets		1271,68,29	947,57,49
(Profit)/Loss on sale of Fixed Assets (net)		-7,19,10	-4,06,01
Depreciation/(Release) and Provision on Investments (Net)		-1017,50,82	-1167,52,75
Interest paid on Bonds		2845,42,20	3108,58,56
Provisions for Non Performing Assets		2004,29,71	1896,83,44
Provision on Standard Assets		162,04,46	-303,10,52
Other Provision (net)		1606,85,26	92,52,38
Dividend from Subsidiary / Others		-91,84,84	-40,70,00
Profit on Sale of equity Investments held in AFS		0	45,87
Income from investment in Subsidiaries/Joint Ventures/Associates		0	0
(Profit)/Loss on sale of Investments held in SBJVAS		-948,33,11	0
Sub Total	(ii)	5825,42,05	4530,58,46
(III) Adjustment for:			
Decrease / (Increase) in Investments		4594,89,67	-73347,29,24
Decrease / (Increase) in Advances		-149325,77,36	-144397,65,39
Decrease / (Increase) in Other Assets		-17223,28,93	-19426,56,42
Increase / (Decrease) in Deposits		144503,04,81	196910,47,75
Increase / (Decrease) in Borrowings		4026,60,90	34696,86,18
Increase / (Decrease) in Other Liabilities & Provisions		7005,45,78	3178,83,23
Sub Total	(iii)	-6419,05,13	-2385,33,89
Cash generated from Operations	(i+ii+iii)	26156,06,54	27301,31,24
Direct Taxes paid (net off refund)		146,01,06	-5029,07,80
Net Cash from/(used) in Operating Activities	(A)	26302,07,60	22272,23,44

(Rs.000's omitted)

Particulars		Year Ended 31.03.2026 (Audited)	Year Ended 31.03.2025 (Audited)
B Cash Flow from Investing Activities			
Purchase of Fixed Assets		-1576,32,26	-1590,92,23
Sale of Fixed Assets		21,39,79	15,91,95
Dividend received from Subsidiary/Others		91,84,84	40,70,00
Investment in Subsidiary/Others (net)		47,54,68	0
Net Cash from/(used) in Investing Activities	(B)	-1415,52,95	-1534,30,28
C. Cash flow from Financing Activities			
Proceeds of Issuance of Equity Shares including Share Premium (Net of issue expense)		0	4987,56,71
Issue/(Redemption) of Bonds (net)		-5489,00,00	-1350,00,00
Interest paid on Bonds		-2845,42,20	-3108,58,56
Dividend paid		-3324,89,66	-1651,65,23
Net Cash from/(used) in Financing Activities	(C)	-11659,31,86	-1122,67,08
D. Net Change in Cash and Cash Equivalents	(A+B+C)	13227,22,79	19615,26,08
Cash and Cash Equivalents at the beginning of the year			
Cash and Balances with Reserve Bank of India		64304,60,79	65032,91,16
Balances with Banks & Money at Call & Short Notice		84415,23,38	64071,66,93
		148719,84,17	129104,58,09
Cash and Cash Equivalents at the end of the year			
Cash and Balances with Reserve Bank of India		60855,52,03	64304,60,79
Balances with Banks & Money at Call & Short Notice		101091,54,93	84415,23,38
		161947,06,96	148719,84,17

Notes :-

- 1 Cash flow statement has been prepared under the Indirect Method and figures have been regrouped wherever considered necessary.
- 2 Direct taxes paid (net off refund) are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- 3 Figures of previous year have been regrouped wherever considered necessary to conform current year classification.
- 4 Cash and Cash equivalents includes Cash in hand, Balance with RBI & Other Banks and Money at Call and Short Notice

Raman Grover
Chief General Manager & CFO

Amit Kumar Srivastava Executive Director	D. Surendran Executive Director	Bibhu Prasad Mahapatra Executive Director	M Paramasivam Executive Director
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Ashok Chandra
Managing Director & CEO

Vandana Bhagavatula Director	Ambarish Ojha Director	Dr. Uma Sankar Director	D. Anandan Director
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For Ummed Jain & Co. Chartered Accountants FRN: 119250W	For N K Bhargava & Co. Chartered Accountants FRN: 000429N	For Prem Gupta & Co. Chartered Accountants FRN: 000425N	For P A & Associates Chartered Accountants FRN: 313085E
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CA Akhil Jain Partner (M.No. 137970)	CA N K Bhargava Partner (M.No. 080624)	CA Rajan Uppal Partner (M.No. 097379)	CA Braja Nanda Dash Partner (M.No. 062142)
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Date : May 05, 2026
Place: New Delhi

BANK
ANYTIME,
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Collaborating
to build a
Viksit Bharat

CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITORS’
REPORT

To,

The Members of Punjab National Bank
Report on Audit of the Consolidated Financial
Statements

Opinion

1. We have audited the attached Consolidated Financial Statements of Punjab National Bank (“the Bank”), its subsidiaries (the parent and its subsidiaries together referred to as (“the Group”), and associates as at 31st March 2026, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information annexed thereto, in which the following are incorporated:
- i. Audited Financial Statements of Punjab National Bank (the Bank), audited by us, vide our audit report dated 05 May 2026;
 - ii. Audited Financial Statements of 3 Subsidiary and 4 Associates, audited by other auditors; and
 - iii. Unaudited accounts of 2 Subsidiary and 7 Associates.
2. In our opinion and to the best of our information and according to the explanations given to us and based on our consideration of the reports of other auditors on separate financial statements of subsidiaries and associates, the unaudited financial statements and the other financial information of subsidiaries/associates as furnished by the management the aforesaid consolidated financial statements give the information required by the Banking Regulation Act, 1949 (“the Act”) in the manner so required

for bank and are in conformity with accounting principles generally accepted in India and:

- a. The Consolidated Balance Sheet, read with the notes thereon is a full and fair view of Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at 31st March, 2026;
- b. The Consolidated Profit and Loss Account, read with the notes thereon shows a true balance of profit; and
- c. The Consolidated Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

Basis for Opinion

3. 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 Statements’ section of our report. We are independent of the Group in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India, 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the year ended 31st March, 2026. These

matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide

a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our matter was addressed in the audit
Classification of Advances, Income Recognition, Identification of and provisioning for non-performing advances (Refer Schedule 9. to the Consolidated Financial Statements, read with the Accounting Policy No 5) Advances constitute 60.88 per cent of the Bank’s total assets. The advances are classified as performing and non-performing advances (NPA) and provisioning thereon is made in accordance with the prudential norms as prescribed by the Reserve Bank of India (RBI). The Bank has implemented complete system driven recognition of advances and their classification in SASCL Application under Core Banking Solution (CBS). The extent of provisioning of NPA under the prudential norms are mainly based on its ageing and recoverability of the underlined security. The same are also reviewed manually based on necessity. In the event of any improper application of the prudential norms or consideration of the incorrect value of the security, as the valuation of the security involves high degree of estimation and judgement, the carrying value of the advances could be materially misstated either individually or collectively, and in view of the significance of the amount of advances in the Consolidated Financial Statements the classification of the advances and provisioning thereon has been considered as Key Audit Matter in our audit.	Our audit approach towards advance included an understanding of the Bank’s software, circulars, guidelines, IRAC Norms and directives of the Reserve Bank of India and the Bank’s internal instructions and procedures in respect of the assets classification and its provisioning on sample basis and adopted the following audit procedures: • Examined on test check basis the efficacy of various internal controls over advances to determine the nature, timing and extent of the substantive procedures and compliance with the observations of the various audits conducted as per the monitoring mechanism of the Bank and RBI Inspection with respect to income recognition, asset classification and provisioning pertaining to these advances. • Reviewed the Bank’s monitoring mechanisms to identify errors and omission in applying/ implementation of logic / data integrity and its corrective action. • In carrying out substantive procedures at the branches audited by us, we have reviewed the documentations, operations / performance and monitoring of the advance accounts, to ascertain any overdue, unsatisfactory conduct or weakness in any advance account including, examination of classification on sample basis in compliance with the RBI Master Circulars / Guidelines/ Judicial pronouncements Reliance is also placed on Audit Reports of other Statutory Branch Auditors with whom we have also made specific communication. • Reviewed the report of independent IT Expert on review of SASCL Application (Income Recognition and Asset Classification solution) used by CBS including the review of “Baseline Requirements for the NPA classification Solution”. Accordingly, we have assessed and evaluated the process of identification of NPAs and corresponding reversal of income and creation of provision • Reviewed on test check basis the reports of the credit audit, inspection audit, risk based internal audit, concurrent audit, regulatory audit to ascertain existence and effectiveness of such monitoring mechanisms as per the policies and procedures of the Bank
Classification and Valuation of Investments, Identification of and provisioning for Non-Performing investments. (Refer Schedule 8 to the Consolidated Financial Statements, read with the Accounting Policy No 4) Investments constitute 25.74 per cent of the Banks’s total assets. Investment portfolio of the bank comprises of Investments in	Our audit approach towards Investments with reference to the RBI circulars / directives included the review and testing of the design, implementation, operating effectiveness of internal controls and audit procedures in relation to valuation, classification, identification of Non-Performing Investments, provisioning / depreciation related to Investments as per RBI guidelines.

Key Audit Matters	How our matter was addressed in the audit
Government Securities, Bonds, Debentures, Shares, Security Receipts and other Approved Securities which are classified under three categories, Held to Maturity (HTM), Available for Sale (AFS) and Fair Value through Profit or Loss (FVTPL) Valuation of Investments, identification of Non-performing Investments (NPI) and the corresponding non-recognition of income and provision thereon, is carried out in accordance with the relevant circulars / guidelines / directions of RBI. The valuation of each category (type) of aforesaid security is to be carried out as per the methodology prescribed in circulars and directives issued by the RBI which involves collection of data/information from various sources such as FIMMDA rates, rates quoted on BSE/ NSE, financial statements of unlisted companies, NAV in case of mutual funds & security receipts etc. Certain investments are based on the valuation methodologies that include statistical models with inherent assumptions, assessment of price for valuation based on financial statements etc. Hence, the price discovered for the valuation of these Investments may not be the true representative but only a fair assessment of the Investments as on date. Hence the valuation of Investments requires special attention and further in view of the significance of the amount of Investments in the financial statements the same has been considered as Key Audit Matter in our audit.	• We reviewed and evaluated the process adopted for collection of information from various sources for determining fair value of these investments. • For the selected sample of investments in hand, we tested accuracy and compliance with the RBI Master Circulars and directions by re-performing valuation for each category of security. Samples were selected after ensuring that all the categories of investments (based on nature of security) were covered in the sample • We assessed and evaluated the process of identification of NPIs, and corresponding reversal of income and creation of provision. • We understood and reviewed the methodology adopted by the Bank for classification of investments into various categories as per RBI guidelines • We carried out substantive audit procedures to recompute independently the provision to be maintained and depreciation to be provided in accordance with the circulars and directives of the RBI. Accordingly, we selected samples from the investments of each category and tested for NPIs as per the RBI guidelines and recomputed the provision to be maintained in accordance with the RBI Circular for those selected sample of NPIs
Assessment of Information Technology (IT): IT controls with respect to recording of transactions, generating various reports in compliance with RBI guidelines including IRAC norms. Other regulatory compliances is also an important part of the process. Such reporting is highly dependent on the effective working of Core Banking Software and other allied systems. We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management and regulators	Our audit approach included: - • Understanding the coding system adopted by the Bank for various categories of customers. • Reviewed the design, implementation and operating effectiveness of the Bank's IT controls including application, access controls that are critical to financial reporting on test check basis. • Understanding the feeding of the data in the system and going through the extraction of the financial information and statements from the IT system existing in the Bank. • Checking of the user requirements for any changes in the regulations/ policy of the Bank. • Reviewed the reports generated by the system on sample basis. • Reviewed the report of independent IT Expert on review of SASCL Application (Income Recognition and Asset Classification solution) used by CBS including the review of "Baseline Requirements for the NPA classification Solution".
Litigation & Contingent Liabilities (Refer Schedule 12. to the Consolidated Financial Statements, read with the Accounting Policy No 12) Assessment of Contingent liabilities in respect of certain litigations including Direct and Indirect Taxes and various other claims filed by other parties upon the Bank not acknowledged as debts.	Our audit approach involved: - • Obtaining an understanding of internal controls relevant to the audit in order to design our audit procedures that are appropriate in the circumstances; • Going through the current status of the tax litigations and contingent liabilities;

Key Audit Matters	How our matter was addressed in the audit
There is high level of judgment required in estimating the level of provisioning. The Bank's assessment is supported by the facts of matter, their own judgment, past experience, and advice from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and the Balance Sheet. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of litigations which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgments/ interpretation of law involved.	• Examining the orders and/or communication received from various Tax Authorities/ Judicial forums and follow up action thereon; • Evaluating the merits of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice; and • Wherever required, reliance is placed on the opinion of legal and tax consultants. • Verification of disclosures related to significant litigations and taxation matters.

Other Matter

5. The accompanying consolidated financial statements includes the audited financial statements and other financial information, in respect of:

Three (03) subsidiaries viz. (i) Druk PNB Bank Limited, Bhutan (ii) PNB Gilts Limited, and (iii) PNB Cards and Services Limited whose financial statements / financial information reflect total assets of Rs. 30,381.33 crores as at 31st March 2026, total revenues of Rs. 1,942.69 crores, and the Group's share of total net profit/(loss) after tax of Rs.166.00 Crores for the year ended on that date have been audited by its respective independent auditor whose reports have been furnished to us, and our opinion is based solely on the reports of the said auditors.

Four (4) domestic associates whose financial results/ statements include Group's share of net profit after tax of Rs. 792.60 crores for the year ended 31st March 2026 respectively, as considered in the consolidated financial statements whose financial results/financial statements, other financial information has been audited by their respective independent auditors whose audit reports have been furnished, and our opinion is based solely on the reports of the said auditors.

6. The accompanying consolidated financial statements includes the unaudited financial results/statements and other unaudited financial information, in respect of:

- Two (02) subsidiary viz. (i) Punjab National Bank (International) Ltd. And (ii) PNB investment services Ltd. whose financial statements / financial information reflect total assets of Rs. 13,800.71 crores as at 31st March, 2026, total revenues of Rs. 788.19 crores and share of total net profit after tax of Rs. 110.00 crores for the year ended on that date have been furnished by the management of the Bank.
- One (01) foreign associate whose financial results/ statements include Group's share of net profit/ (loss) after tax of Rs. 59.30 crores for the year ended 31st March 2026 respectively, as considered in the Consolidated Financial Statements whose financial results/financial statements, other financial information has been furnished by the management of the Bank.
- Six (06) domestic associate whose financial results/ statements include Group's share of net profit/(loss) after tax of Rs. 520.53 crores for the year ended 31st March 2026 respectively,

as considered in the Consolidated Financial Statements whose financial results/financial statements, other financial information has been furnished by the management of the Bank.

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.

Our opinion on the Statement is not modified in respect of the above matters.

Information Other than the Financial Statements and Auditor's Report thereon

7. The Bank's Board of Directors is responsible for the preparation of the other information. The other information comprises the Directors' Report, including annexures, Corporate Governance Report and other reports (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged

with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The Bank's Board of Directors is responsible with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, respective Board of Directors of the Group Entities and its associates and joint ventures are responsible for assessing the respective Entity'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 management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors of the Group Entities and its associates and joint ventures are also responsible for overseeing the respective Entity's financial reporting process.

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

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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,

As required by the Reserve Bank of India's letter DOS.ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended), we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 financial statements 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial results/financial information

of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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.

Materiality is the magnitude of the misstatements in the statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning of the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the consolidated financial statements.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current

period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

10. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949;

11. Subject to the limitations of the audit indicated in paragraphs 5 and 6 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, and subject also to the limitations of disclosure required therein, we report that:

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;
- b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
- c) The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit; and

12. As required by letter No. DOS.ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 on "Appointment of Statutory Central Auditors (SCAs) in Public Sector Banks - Reporting obligations for SCAs from FY 2019-20", read with subsequent communication dated May 19, 2020 issued by the RBI, we further report on the matters

specified in paragraph 2 of the aforesaid letter as under:

- a) In our opinion, the aforesaid Consolidated Financial Statements comply with the applicable Accounting Standards issued by ICAI, to the extent they are not inconsistent with the accounting policies prescribed by the RBI.
- b) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Bank.
- c) As the Bank is not registered under the Companies Act, 2013 the disqualification from being a director of the bank under sub-section (2) of section 164 of the Companies Act, 2013 do not apply to the Bank.
- d) There are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith of the Bank.
- e) The Bank's internal financial controls over financial reporting is not applicable on the Consolidated Financial Statement.

13. We further report that:

- a. In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches/offices not visited by us;
- b. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches/offices not visited by us;
- c. The reports on the accounts of the branches/ offices audited by branch auditors of the Bank under section 29 of the Banking Regulation Act, 1949 have been sent to us and have been properly dealt with by us in preparing this report; and
- d. In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

For Ummed Jain & Co.
Chartered Accountants
FRN: 119250W

CA Akhil Jain
Partner
(M.No. 137970)
UDIN: 26137970REBCMO7417

For Prem Gupta & Co.
Chartered Accountants
FRN: 000425N

CA Rajan Uppal
Partner
(M.No. 097379)
UDIN: 26097379DGTWLY5752

Place: New Delhi
Date: May 05, 2026

For N K Bhargava & Co.
Chartered Accountants
FRN: 000429N

CA N K Bhargava
Partner
(M.No. 080624)
UDIN: 26080624KQOBJA5334

For P A & Associates
Chartered Accountants
FRN: 313085E

CA Braja Nanda Dash
Partner
(M.No. 062142)
UDIN: 26062142OLSQKZ6197

PUNJAB NATIONAL BANK - CONSOLIDATED BALANCE SHEET AS ON
MARCH 31, 2026

(Rs. in Crore)

Particulars	Schedule	As on 31.03.2026	As on 31.03.2025
CAPITAL AND LIABILITIES			
Capital	1	2298.59	2298.59
Reserves and Surplus	2	147673.63	130839.37
Minority Interest	2A	689.53	628.43
Deposits	3	1724795.42	1577019.88
Borrowings	4	107558.40	105806.55
Other Liabilities and Provisions	5	50315.38	40950.81
TOTAL		2033330.95	1857543.63
ASSETS			
Cash and Balances with Reserve Bank of India	6	60882.17	64389.22
Balances with banks and money at call and short notice	7	103239.81	86370.36
Investments	8	523514.52	524840.31
Advances	9	1237980.05	1086273.14
Fixed Assets	10	15625.36	13083.30
Other Assets	11	92089.04	82587.30
Goodwill on Consolidation		0.00	0.00
TOTAL		2033330.95	1857543.63
Contingent Liabilities	12	489063.24	654196.64
Bills for Collection		35566.16	39512.92
Significant Accounting Policies and Notes on Accounts	18		
The Schedules 1 to 18 form an integral part of the Accounts.			

Raman Grover
Chief General Manager & CFO

Amit Kumar Srivastava D. Surendran Bibhu Prasad Mahapatra M Paramasivam
Executive Director Executive Director Executive Director Executive Director

Ashok Chandra
Managing Director & CEO

Vandana Bhagavatula Ambarish Ojha Dr. Uma Sankar D. Anandan
Director Director Director Director

For Ummed Jain & Co. For N K Bhargava & Co. For Prem Gupta & Co. For P A & Associates
Chartered Accountants Chartered Accountants Chartered Accountants Chartered Accountants
FRN: 119250W FRN: 000429N FRN: 000425N FRN: 313085E

CA Akhil Jain CA N K Bhargava CA Rajan Uppal CA Braja Nanda Dash
Partner Partner Partner Partner
(M.No. 137970) (M.No. 080624) (M.No. 097379) (M.No. 062142)

Date : May 05, 2026
Place: New Delhi

PUNJAB NATIONAL BANK - CONSOLIDATED PROFIT & LOSS
ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2026

(Rs. in Crore)

Particulars	Schedule	Period ended 31.03.2026	Period ended 31.03.2025
I. INCOME			
Interest earned	13	130772.09	124009.85
Other income	14	18691.21	16446.96
TOTAL		149463.30	140456.81
II. EXPENDITURE			
Interest expended	15	88069.40	80703.84
Operating expenses	16	31828.96	32550.46
Provisions and contingencies		12469.17	9762.88
TOTAL		132367.53	123017.18
Share of earnings in Associates (net)	17	1370.93	1112.98
Consolidated Profit/(Loss) for the year before deducting Minorities' Interest		18466.70	18552.61
Less : Minorities Interest		74.01	72.32
Consolidated Profit/(loss) for the period attributable to the group		18392.69	18480.29
Add: Brought forward consolidated profit/(loss) attributable to the group		5695.55	3971.57
Less: Adjustments		(159.47)	0.00
Total		23928.77	22451.86
III. APPROPRIATIONS			
Transfer to Statutory Reserves		4259.64	4192.07
Transfer to Capital Reserves		1598.54	474.20
Transfer to Investment Fluctuation Reserve		830.19	1049.66
Transfer to Other Reserves		6079.76	6007.43
Transfer to Special Reserves as per Income Tax Act		925.00	1700.00
Proposed Dividend		3447.88	3332.95
Balance carried over to consolidated balance sheet		6787.76	5695.55
		23928.77	22451.86
Earnings per Share (In Rs.) (Basic/ Diluted)		16.00	16.42
Significant Accounting Policies and Notes on Accounts	18		

Raman Grover
Chief General Manager & CFO

Amit Kumar Srivastava D. Surendran Bibhu Prasad Mahapatra M Paramasivam
Executive Director Executive Director Executive Director Executive Director

Ashok Chandra
Managing Director & CEO

Vandana Bhagavatula Ambarish Ojha Dr. Uma Sankar D. Anandan
Director Director Director Director

For Ummed Jain & Co. For N K Bhargava & Co. For Prem Gupta & Co. For P A & Associates
Chartered Accountants Chartered Accountants Chartered Accountants Chartered Accountants
FRN: 119250W FRN: 000429N FRN: 000425N FRN: 313085E

CA Akhil Jain CA N K Bhargava CA Rajan Uppal CA Braja Nanda Dash
Partner Partner Partner Partner
(M.No. 137970) (M.No. 080624) (M.No. 097379) (M.No. 062142)

Date : May 05, 2026
Place: New Delhi

PUNJAB NATIONAL BANK - SCHEDULES TO THE CONSOLIDATED
ACCOUNTS

(Rs. in Crore)

Particulars	As on 31.03.2026	As on 31.03.2025
SCHEDULE 1 - CAPITAL		
Authorised Capital		
1500,00,00,000 Equity shares of Rs. 2 each (Previous year 1500,00,00,000 Equity shares of Rs. 2 each)	3000.00	3000.00
Issued Capital		
1149,29,43,268 Equity shares of Rs. 2 each (Previous Year 1149,29,43,268 Equity shares of Rs. 2 each)	2298.59	2298.59
Paid up Capital		
1149,29,43,268 Equity shares of Rs. 2 each (Previous Year 1149,29,43,268 Equity shares of Rs. 2 each) [The above includes 805,41,25,685 equity shares of Rs. 2 each (Previous Year 805,41,25,685 Equity shares of Rs. 2 each) held by Central Government]	2298.59	2298.59
TOTAL	2298.59	2298.59
SCHEDULE 2 - RESERVES AND SURPLUS		
I. Statutory Reserves		
Opening Balance	22435.97	18243.90
Addition during the year	4259.63	4192.07
	26695.60	22435.97
II. Capital Reserves		
a. Revaluation Reserve		
Opening Balance	8308.44	8305.63
Addition during the year	2232.94	103.13
Less: Transfer to other reserves (being depreciation on revalued portion of property)	178.05	100.32
	10363.33	8308.44
b. Other		
(including Amalgamation Reserve of Rs. 9268.29 Crores)		
Opening Balance	17202.45	16727.79
Addition during the year	1598.54	474.66
	18800.99	17202.45
II A. Capital Reserve on consolidation (Net)	74.21	74.21

(Rs. in Crore)

Particulars		As on 31.03.2026		As on 31.03.2025	
III.	Share Premium				
	Opening Balance	50929.71		46038.53	
	Addition during the year	0.00	50929.71	4891.18	50929.71
IV.	Revenue and Other Reserves				
	a. Investment Reserve				
	Opening Balance	0.00		386.35	
	Addition during the year	0.00		0.00	
	Less: Transfer to Investment Fluctuation Reserve	0.00		386.35	
	Less: Trf to P & L Account	0.00	0.00	0.00	0.00
	b. Investment Fluctuation Reserve				
	Opening Balance	3360.02		1924.01	
	Add: Transfer from Investment Reserve	0.00		386.35	
	Add: Addition during the year	830.19	4190.21	1049.66	3360.02
	c. Other Reserve				
	Opening Balance	15738.70		7615.32	
	Addition during the year	6079.76		8023.06	
	Add: Transfer from Revaluation Reserve	178.05		100.32	
	Less: Withdrawal during the year	0.00		0.00	
	Add/(Less) : Adjustment during the year	59.15	22055.66	0.00	15738.70
	d. Exchange Fluctuation Reserve				
	Opening Balance	998.99		877.00	
	Add: Addition during the year (Net)	126.08		21.27	
	Add/(Less) : Adjustment during the year	156.01	1281.08	100.72	998.99
	e. AFS Reserve				
	Opening Balance	379.55		0.00	
	Add: Addition during the year (Net)	(525.25)		379.55	
	Add/(Less) : Adjustment during the year	0.00	(145.70)	0.00	379.55
	f. Special Reserve under Sec.36 (1) (viii) of Income Tax Act, 1961				
	Opening Balance	5715.78		4020.22	
	Addition during the year	925.00	6640.78	1695.56	5715.78

(Rs. in Crore)

Particulars		As on 31.03.2026		As on 31.03.2025	
V.	Balance in Profit & Loss Account		6787.76		5695.55
	Total (I, II, III, IV and V)		147673.63		130839.37
	SCHEDULE 2A - MINORITY INTEREST				
	Minority Interest at the date on which the parent subsidiary relationship came into existence		149.25		149.25
	Subsequent increase/ decrease		540.28		479.18
	Minority Interest at the date of balance sheet		689.53		628.43
	SCHEDULE 3 - DEPOSITS				
A. I	Demand Deposits				
(i)	From Banks	3291.38		3419.92	
(ii)	From Others	77414.06	80705.44	73043.95	76463.87
II	Savings Banks Deposits		531356.80		499398.01
III	Term Deposits				
(i)	From Banks	120602.68		96150.70	
(ii)	From Others	992130.50	1112733.18	905007.30	1001158.00
	TOTAL (I, II and III)		1724795.42		1577019.88
B. (i)	Deposits of branches In India	1648669.21		1511017.80	
(ii)	Deposits of branches outside India	76126.21		66002.08	
	TOTAL (i, ii)		1724795.42		1577019.88
	SCHEDULE 4 - BORROWINGS				
I.	Borrowings in India				
(i)	Reserve Bank of India	21290.17		33807.48	
(ii)	Other Banks	4192.91		3455.51	
(iii)	Other Institutions and Agencies	27903.20		19733.19	
(iv)	Bonds (including Tier-I, Tier-II, Subordinated Debts)	29236.90		34725.90	
(v)	Long Term Infrastructure Bonds and other Bonds	2950.00		2950.00	
II.	Borrowings outside India	21985.22		11134.47	
	TOTAL (I and II)		107558.40		105806.55
	Secured Borrowings included in I and II above		45400.79		53643.08

(Rs. in Crore)

Particulars		As on 31.03.2026	As on 31.03.2025
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS			
I. Bills payable		3091.54	4430.52
II. Inter-office adjustments (net)		52.69	76.53
III. Interest accrued		4108.81	4740.24
IV. Others (including provisions)		43062.34	31703.52
TOTAL OF I, II, III and IV		50315.38	40950.81
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA			
I. Cash in hand (including foreign currency notes)		3476.67	3234.95
II. Balance with Reserve Bank of India			
(i) in Current account	44611.50	59463.27	
(ii) in Other Accounts	12794.00	57405.50	1691.00
TOTAL (I and II)		60882.17	64389.22
SCHEDULE 7- BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE			
I. In India			
(i) Balance with Banks:			
(a) In Current accounts	29.40	869.13	
(b) In Other Deposit accounts	28693.62	19628.70	20497.83
(ii) Money at Call and Short Notice:			
(a) with Banks	0.00	0.00	
(b) with Other Institutions	11959.05	16247.77	16247.77
TOTAL (i and ii)		40682.07	36745.60
II. Outside India			
(i) In Current accounts	14988.50	14477.44	
(ii) In Other Deposit accounts	47569.24	35044.75	
(iii) Money at call and short notice	0.00	102.57	
TOTAL (i, ii and iii)		62557.74	49624.76
GRAND TOTAL (I and II)		103239.81	86370.36

(Rs. in Crore)

Particulars		As on 31.03.2026	As on 31.03.2025
SCHEDULE 8 - INVESTMENTS			
I. Investments in India in			
(i) Government securities		425088.21	440175.17
(ii) Other approved securities		0.00	0.00
(iii) Shares		10046.53	7198.88
(iv) Debentures and Bonds		51112.68	41146.88
(v) Associates		7978.38	6186.23
(vi) Others (Mutual Funds, Venture Capital Funds, ARCIL Commercial Papers , Certificate of Deposits, etc.)		19108.88	18800.09
TOTAL of I		513334.68	513507.25
II. Investments outside India in			
(i) Government Securities (including local authorities)		8535.09	9785.09
(ii) Associates		355.13	415.87
(iii) Other investments		1289.62	1132.10
TOTAL of II		10179.84	11333.06
III. Investments in India			
(i) Gross value of Investments		516062.97	518088.38
(ii) Less: Aggregate of provisions for depreciation		2728.29	4581.13
(iii) Net Investment		513334.68	513507.25
IV. Investments outside India			
(i) Gross value of Investments		10851.57	12073.72
(ii) Less: Aggregate of provisions for depreciation		671.73	740.66
(iii) Net Investment		10179.84	11333.06
GRAND TOTAL of (I), (II)		523514.52	524840.31

(Rs. in Crore)

Particulars		As on 31.03.2026	As on 31.03.2025
SCHEDULE 9 - ADVANCES			
A. i)	Bills purchased and discounted	9364.74	5985.24
ii)	Cash credits, overdrafts and loans repayable on demand	497979.51	448834.72
iii)	Term loans	730635.80	631453.18
Total (i, ii and iii)		1237980.05	1086273.14
B. i)	Secured by tangible assets (including advances against book debts)	931376.29	819487.15
ii)	Covered by Bank/Government Guarantees	20404.87	25370.92
iii)	Unsecured	286198.89	241415.07
Total (i, ii and iii)		1237980.05	1086273.14
C. (I) Advances in India			
i)	Priority sector	375029.51	293804.35
ii)	Public sector	211302.00	189063.19
iii)	Banks	1045.76	0.00
iv)	Others	572787.78	544207.96
Total (i, ii, iii and iv)		1160165.05	1027075.50
C.(II) Advances outside India			
i)	Due from banks	29196.74	26197.46
ii)	Due from others		
(a)	Bills purchased and discounted	1175.70	1740.74
(b)	Syndicated Loans	17646.21	12814.80
(c)	Others	29796.35	18444.64
Total (i and ii)		77815.00	59197.64
GRAND TOTAL of C (I) and C (II)		1237980.05	1086273.14

(Rs. in Crore)

Particulars		As on 31.03.2026	As on 31.03.2025
SCHEDULE 10 - FIXED ASSETS			
I. Premises			
	At Cost as on 31 st March of preceeding year	11319.35	12220.64
	Additions during the year	145.93	226.38
	Deductions during the year	385.97	1230.80
	Addition to Revaluation Reserve	2232.95	103.13
	Depreciation to date	774.74	950.75
II. Other Fixed Assets (including furniture and fixtures)			
	At Cost as on 31 st March of preceeding year	10346.21	10802.73
	Revaluation due to exchange rate fluctuation	0.00	0.00
	Additions during the year	1077.74	1098.48
	Deductions during the year	1654.30	1555.00
	Depreciation to date	7228.66	7990.85
II A. Leased Assets			
	At Cost as on 31 st March of preceeding year	25.78	25.33
	Additions during the year	0.00	0.00
	Deductions during the year	0.00	0.00
	Depreciation to date	25.76	25.31
II B. Computer Software			
	At Cost as on 31 st March of preceeding year	1671.75	1395.18
	Revaluation due to exchange rate fluctuation	0.00	0.00
	Additions during the year	400.92	276.55
	Deductions during the year	0.00	0.00
	Deduction/ Adjustment during the year	0.00	0.02

(Rs. in Crore)

Particulars		As on 31.03.2026		As on 31.03.2025	
	Amortised to date	1525.84	546.83	1312.43	359.32
	TOTAL OF I, II, IIA, IIB		15625.36		13083.30
	<u>SCHEDULE 11 - OTHER ASSETS</u>				
I.	Inter office adjustment (Net)		0.00		0.00
II.	Interest accrued		20557.60		18984.10
III.	Tax paid in advance/tax deducted at source		7301.29		9372.64
IV.	Stationery and stamps		6.17		6.65
V.	Non banking assets acquired in satisfaction of claims		24.66		24.67
VI.	Deferred Tax asset (net)		13265.09		21148.30
VII.	Others		50934.23		33050.94
	TOTAL of I, II, III, IV, V, VI and VII		92089.04		82587.30
	<u>SCHEDULE 12 - CONTINGENT LIABILITIES</u>				
I. i)	Claims against the bank not acknowledged as debts		867.64		846.88
I. ii).	Disputed income tax and interest tax demands under appeal, references, etc.		11619.34		12028.88
II.	Liability for partly paid investments		176.26		179.60
III.	Liability on account of outstanding forward exchange contracts		371503.08		552244.19
IV.	Guarantees given on behalf of constituents				
(a)	In India		72789.16		60692.58
(b)	Outside India		3962.07		3761.41
V.	Acceptance, Endorsements and Other obligations		20777.24		17877.30
VI.	Other items for which the Bank is contingently liable		7368.45		6565.80
	TOTAL (I, II, III, IV, V and VI)		489063.24		654196.64

(Rs. in Crore)

Particulars		Period ended 31.03.2026		Period ended 31.03.2025	
	<u>SCHEDULE 13 - INTEREST EARNED</u>				
I.	Interest/discount on advances/bills		89546.89		86756.64
II.	Income on Investments (including dividends)		34836.20		32240.67
III.	Interest on balances with Reserve Bank of India and other inter-bank funds		4310.85		3519.13
IV.	Others		2078.15		1493.41
	TOTAL (I, II, III and IV)		130772.09		124009.85
	<u>SCHEDULE 14 - OTHER INCOME</u>				
I.	Commission, exchange and brokerage		4640.36		4596.22
II.	Profit on sale of land, buildings and other assets		7.44		4.43
	Less: Loss on sale of land, buildings and other assets		0.25		7.19
					0.36
					4.07
III.	Dividend Income from Share		0.00		0.00
III.	Profit on exchange transaction		4291.61		438.38
	Less: Loss on exchange transaction		3653.18		638.43
					49.14
					389.24
IV.	Profit on sale of investments (net)		4985.86		2981.36
	Less: Loss on sale of investments		213.57		4772.29
					86.55
					2894.81
V.	Profit on revaluation of investments		1363.62		1602.41
	Less: Loss on revaluation of investments		1694.48		(330.86)
					446.36
					1156.05
VI.	Miscellaneous Income		8963.80		7406.57
	TOTAL (I, II, III, IV, V and VI)		18691.21		16446.96
	<u>SCHEDULE 15 - INTEREST EXPENDED</u>				
I.	Interest on deposits		82233.54		74547.00
II.	Interest on Reserve Bank of India/ inter-bank borrowings		1547.84		1734.49
III.	Others		4288.02		4422.35
	TOTAL (I, II and III)		88069.40		80703.84

(Rs. in Crore)				
	Particulars	Period ended 31.03.2026	Period ended 31.03.2025	
	SCHEDULE 16 - OPERATING EXPENSES			
I.	Payment to and provisions for employees	18992.28	21548.69	
II.	Rent, taxes and lighting	1461.08	1410.94	
III.	Printing and stationery	165.08	173.81	
IV.	Advertisement and publicity	147.16	124.27	
V. (a)	Depreciation on bank's property other than leased assets	1281.20	957.51	
(b)	Depreciation on Leased assets	0.00	0.00	957.51
VI.	Directors' fees, allowances and expenses	3.33	3.60	
VII.	Auditors' fees and expenses (including branch auditors' fees and expenses)	72.46	61.34	
VIII.	Law charges	111.25	131.50	
IX.	Postage, telegrams, telephones, etc.	323.17	334.22	
X.	Repairs and Maintenance	1086.13	877.82	
XI.	Insurance	2178.99	1901.11	
XII.	Other expenditure	6006.83	5025.65	
	TOTAL of I to XII	31828.96	32550.46	
	SCHEDULE 17 - SHARE OF EARNINGS/LOSS IN ASSOCIATES			
(a)	Share of Earnings in Associates in India	1311.63	1057.69	
(b)	Share of Earnings in Associates outside India	59.30	55.29	
	TOTAL of (a and b)	1370.93	1112.98	

SCHEDULE 18: CONSOLIDATED FINANCIAL STATEMENT 31.03.2026

SIGNIFICANT ACCOUNTING POLICIES FOR THE FY 2025-26

1. BASIS OF PREPARATION:

The financial statements have been prepared on historical cost basis and conform, in all material aspects, to Generally Accepted Accounting Principles (GAAP) in India unless otherwise stated encompassing applicable statutory provisions, regulatory norms prescribed by the Reserve Bank of India (RBI), circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time, as per third schedule of Banking Regulation Act 1949, Accounting Standards (AS) and pronouncements issued by The Institute of Chartered Accountants of India (ICAI) and prevailing practices in banking industry in India.

In respect of foreign offices, statutory provisions and practices prevailing in respective foreign countries are complied with except as specified elsewhere.

The financial statements have been prepared on going concern basis with accrual concept and in accordance with the accounting policies and practices consistently followed unless otherwise stated.

USE OF ESTIMATES:

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the

preparation of the financial statements are prudent and reasonable.

Future results could differ from these estimates. Difference between the actual results and estimates is recognized in the period in which the results are known / materialized.

Any revision to the accounting estimates is recognized prospectively in the current and future periods unless otherwise stated.

1. CONSOLIDATION PROCEDURES:

Subsidiaries

- PNB Gilts Ltd.
- PNB Investment Services Ltd.
- PNB Cards and Services Ltd.
- Punjab National Bank (International) Ltd., UK.
- Druk PNB Bank Ltd, Bhutan

Associates:

- PNB Metlife India Insurance Company Ltd
- PNB Housing Finance Limited
- Everest Bank Limited, Kathmandu, Nepal
- Himachal Pradesh Gramin Bank, Mandi
- Punjab Gramin Bank, Kapurthala
- Haryana Gramin Bank, Rohtak
- Assam Gramin Bank, Guwahati
- Manipur Rural Bank, Imphal
- Tripura Gramin Bank, Agartala
- Bihar Gramin Bank, Patna
- West Bengal Gramin Bank, Kolkata

** JSC (Tengri Bank), Almaty, Kazakhstan, an associate of the Bank having shareholding of 41.64% is under liquidation.*

Note- Canara HSBC Life Insurance Company Limited has ceased to be an Associate of the Bank w.e.f. 17.10.2025 as the Bank's shareholding in the company declined from 23% to 13% following the sale of shares through an OFSIPO.

2.1 Consolidated financial statements of the Group (comprising of 5 Subsidiaries and 11 Associates as per detail given above) have been prepared on the basis of:

- i. Audited financial statements of Punjab National Bank (Parent/ the Bank),
 - ii. As per AS 21, line by line aggregation of like items of assets, liabilities, income and expenses of subsidiaries with the respective item of the parent after eliminating material intra-group balances/ transactions, unrealized profit/losses and making necessary adjustments, wherever required, to conform to uniform accounting policies, based on data received from these subsidiaries, duly Audited/ certified by their Management. The financial statements of the subsidiaries are drawn up to the same reporting date as that of parent i.e. March 31, 2026.
 - iii. Foreign currency translation of overseas subsidiaries has been done as under:
 - (i) Income and Expenditure - at weighted average rates prevailing during the period.
 - (ii) Assets and Liabilities - at rates applicable at reporting date. The resultant foreign currency translation difference, whether gain or loss, has been included under Reserves and Surplus - Foreign Currency Translation Reserve.

Investments in associates, where the group holds 20% or more of the voting power, have been accounted for using the equity method in terms of Accounting Standard - 23 issued by The Institute of Chartered Accountants of India.
- 2.2 The difference between cost to the Group of its investment in the subsidiaries and the group's portion of the equity of the subsidiaries is recognized as Goodwill/ Capital Reserve.

2.3 Minority interest in the net assets of consolidated subsidiaries consists of:

- a) The amount of equity attributable to the minority at the date on which investments in a subsidiary is made; and
- b) The minority share of movements in equity since date of parent-subsidiary relationship came into existence

SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE PARENT:

3. REVENUE RECOGNITION:

- 3.1 Income & expenditure (other than items referred to in paragraph 3.2 & 3.5) are generally accounted for on accrual basis.
- 3.2 Income from Non-Performing Assets (NPAs), comprising of advances and investments, is recognized upon realization, as per the prudential norms prescribed by the RBI/ respective country regulators in the case of foreign offices (hereafter collectively referred to as Regulatory Authorities).
- 3.3 Mode of appropriation of recovery in order of priority will be as below:
 - (a) Appropriation of Recoveries in NPA accounts (irrespective of the mode / status / stage of recovery actions) shall be regulated in the following order of priority:
 - i. Expenditure/Out of Pocket Expenses incurred for Recovery (earlier recorded in Memorandum Dues);
 - ii. Thereafter towards the interest irregularities / accrued interest;
 - iii. Principal irregularities, i.e., NPA outstanding in the account.
 - iv. Penal Charges

In case of borrowers who are having multiple accounts - On receiving recovery in one account, system appropriates recovery towards

Expenditure, Interest, Principal and penal charges. Further, surplus recovery amount, if any, is appropriated towards Expenditure, Interest, Principal and penal charges of another account for same customer.

- (b) However, in case of Compromise, Resolution/ Settlement through NCLT, Technically Written Off (TWO) & Credits received on account of CGTMSE / ECGC / GECL / CGFMU and subsidy if any, shall be appropriated in the order of Principal, Expenditure / out of pocket expenses incurred for recovery (earlier recorded in Memorandum Dues), Interest and penal charges.
- (c) In case of suit filed/decreed accounts, recovery is appropriated as under:
 - i. As per the directives of the concerned Court.
 - ii. In the absence of specific directives from the Court, as mentioned at point (a) above.

Any exceptions to the above may be considered by HOCAC-III (for proposals falling under the powers of various committees upto HOCAC-III) & Management Committee / Board for proposals under their vested powers.

- 3.4 The sale of NPA is accounted as per guidelines prescribed by RBI and as disclosed under Para 5.3.
- 3.5 Commission (excluding on Government Business, Insurance Business, Mutual Fund Business, Letter of Credit and Bank Guarantee), Royalty from group entities and other such alike incomes such as Management Service Agreement (MSA) fee receivable, exchange, locker rent, Income on Rupee Derivatives designated as 'Trading' and Income from units of mutual funds, alternative investment funds & other such pooled/ collective investment funds are accounted for on realization and insurance claims are accounted for on settlement. Interest on overdue inland bills

is accounted for on realization and interest on overdue foreign bill, till its crystallization is accounted for on crystallization and thereafter on realization.

- 3.6 In case of suit filed accounts, related legal and other expenses incurred are charged to Profit & Loss Account and on recovery, the same are accounted for as such.
- 3.7 Income from interest on refund of income tax is accounted for in the year the order is passed by the concerned authority.
- 3.8 Lease payments including cost escalation for assets taken on operating lease are recognized in the Profit and Loss Account over the lease term in accordance with the AS 19 (Leases) issued by ICAI.
- 3.9 Provision for outstanding Reward Points on Credit cards is made based on the actuarial estimates.
- 3.10 If Term Deposit (TD) matures and proceeds are unpaid, the amount left unclaimed with the Bank attracts rate of interest as applicable to savings account or the contracted rate of interest on the matured TD, whichever is lower.
- 3.11 Bank recognizes dividend income on accrual basis for shares of corporate bodies provided dividend has been declared by the corporate body in its Annual General Meeting and the owner's right to receive payment is established. Dividend income on equity investments held under AFS is also recognised in the Profit and Loss Account.

4. INVESTMENTS:

- 4.1 As soon as the deal is entered into (whether settled or not) necessary vouchers are passed. For the equity deals, transaction vouchers are passed on the deal date and for other deals, contra vouchers are passed on deal date and transaction vouchers in securities are passed on the date of settlement.

4.2 Investments are classified into six categories as stipulated in Third Schedule to the Banking Regulation Act, 1949 (Form A- Schedule 8- Investment).

4.3 Entire investment portfolio (except investments in own subsidiaries, joint ventures and associates) has been classified under three categories, viz., Held to Maturity (HTM), Available for Sale (AFS) and Fair Value through Profit and Loss (FVTPL). Held for Trading (HFT) is a separate investment subcategory within FVTPL. The category of the investment is decided before or at the time of acquisition.

(a) HTM: Securities fulfilling the following conditions are classified under HTM:

- (i) The security acquired with the intention and objective of holding it to maturity, i.e., the financial assets are held with an objective to collect the contractual cash flows; and
- (ii) The contractual terms of the security give rise to cash flows that are solely payments of principal and interest on principal outstanding (SPPI criterion) on specified dates.

(b) AFS: Securities fulfilling the following conditions are classified under AFS:

- (i) The security acquired with an objective that is achieved by both collecting contractual cash flows and selling securities; and
- (ii) The contractual terms of the security meet the 'SPPI criterion'.
- (iii) Equity shares where, at initial recognition, the irrevocable option to classify in AFS has been exercised.
- (iv) AFS securities also include debt securities held for asset liability management (ALM) purposes that meet the SPPI criterion where the Bank's intent is flexible with respect to holding to maturity or selling before maturity.

(c) FVTPL: Securities that do not qualify for inclusion in HTM or AFS are classified under FVTPL. These inter-alia include:

- (i) Equity shares, other than (a) equity shares of subsidiaries, associates or joint ventures and (b) equity shares classified under AFS.
- (ii) Investments in Mutual Funds, Alternative Investment Funds, Real Estate Investment Trusts, Infrastructure Investment Trusts, etc.
- (iii) Investment in securitisation notes which do not meet SPPI criterion.
- (iv) Bonds, debentures, etc. where the payment is linked to the movement in a particular index such as an equity index rather than an interest rate benchmark.

HFT: Separate sub-category called HFT is created within FVTPL and it consists of all instruments set out in the following -

- short-term resale;
- profiting from short-term price movements;
- locking in arbitrage profits; or
- hedging risks that arise from instruments meeting above.
- instruments that would give rise to a net short credit or equity position in the banking book.
- Any financial instrument when there is no legal impediment against selling or fully hedging it.

4.4 Investments in Subsidiaries, Associates and Joint Ventures

All investments in subsidiaries, associates and joint ventures are held in a distinct category separate from the other investment categories.

4.5 In case of Reclassification of investments

from one category to another category, the accounting treatment is as given in the table below -

S. No.	From	To	Accounting Treatment
a.		AFS	The fair value measured at the reclassification date is the revised carrying value. Any gain or loss arising from a difference between the revised carrying value and the previous carrying value is recognised in AFS-Reserve.
b.	HTM	FVTPL	The fair value measured at the reclassification date is the revised carrying value. Any gain or loss arising from a difference between the revised carrying value and previous carrying value of the investments is recognised in the Profit and Loss Account under Item (III): 'Profit on revaluation of investments' under Schedule 14: 'Other Income'.
c.		HTM	The investments are reclassified at its fair value at the reclassification date. However, the cumulative gain/loss previously recognised in the AFS-Reserve is withdrawn and adjusted against the fair value of the investments at the reclassification date to arrive at the revised carrying value.
d.	AFS	FVTPL	The investments are continuing to be measured at fair value. The cumulative gain or loss previously recognised in AFS Reserve is withdrawn and recognised in the Profit and Loss Account, under Item (III): 'Profit on revaluation of investments' under Schedule 14: 'Other Income'.
e.	FVTPL	HTM	The carrying amount representing the fair value at the reclassification date remains unchanged.
f.		AFS	

The reclassification is applied prospectively from reclassification date and details of such reclassification including the reclassification adjustments is provided as disclosure in the notes to the financial statements, if the case persists.

4.6 In determining acquisition cost of an investment

(a) Brokerage, commission, Securities Transaction Tax (STT) etc. paid in connection with acquisition of securities are treated as revenue expenses upfront and excluded from cost.

(b) Interest accrued up to the date of acquisition/sale of securities i.e. broken-period interest is excluded from the acquisition cost/sale consideration and the same is accounted as interest accrued but not due.

(c) Cost is determined on the weighted average cost method for all categories of investments.

(d) All investments are measured at fair value on initial recognition. Unless facts and circumstances suggest that the fair value is materially different from the acquisition cost, it is presumed that the acquisition cost is the fair value. In other cases, following treatment is done:

- i. Where the securities are quoted or the fair value is determined based on market observable inputs (such as yield curve, credit spread, etc.) any Day 1 gain/loss is recognised in the Profit and Loss Account, under Schedule 14: 'Other Income' within the subhead 'Profit on revaluation of investments' or 'Loss on revaluation of investments'.
- ii. Any Day 1 loss arising from Level 3 investments are recognised immediately.
- iii. Any Day 1 gains arising from Level 3 investments are deferred. In the case of debt instruments, the Day 1 gain is amortized on a straight-line basis up to the maturity date (or earliest call date for perpetual instruments), while for unquoted equity instruments, the gain is set aside as a liability until the security is listed or derecognised.

4.7 Investments are valued as per RBI/ FIMMDA guidelines, on the following basis:

I. Held to Maturity

Securities held in HTM are carried at cost and are not marked to market (MTM) after initial recognition.

II. AFS

The securities held in AFS are fair valued on daily basis. The valuation gains and losses across all performing investments, irrespective of classification (i.e., Government securities, Other approved securities, Bonds and Debentures, etc.), held under AFS are aggregated and net appreciation or depreciation, is directly credited or debited to AFS Reserve without routing through the Profit and Loss account.

III. FVTPL

The securities held in FVTPL are fair valued and the net gain or loss arising on such valuation is credited or debited to the Profit and Loss Account. Out of above, Securities that are classified under the HFT sub-category within FVTPL are fair valued on daily basis and other securities under FVTPL on daily basis.

IV. Investments in Subsidiaries, Associates and Joint Ventures

All investments (i.e., including debt and equity) in subsidiaries, associates and joint ventures are held at acquisition cost. Investments in subsidiaries, associates or joint ventures are evaluated for impairment on quarterly basis and if required, on more frequent basis. In case of impairment, valuation of the investment is being done by an independent registered valuer and provision for impairment is made from Profit and Loss Account. It can be subsequently reversed through Profit and Loss Account, if there is a reversal of the diminution.

V. Amortization/ Accretion

Any discount or premium on the acquisition of debt securities in HTM/ AFS/ FVTPL/ Subsidiaries, Associates and Joint Ventures

category is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'. For amortization and accretion of investments, the Bank continues to follow the 'straight line method'.

Fair Value of Investments:

To increase consistency and comparability in fair value measurements and related disclosures, the investment portfolio is categorized into three fair value hierarchies, viz., Level 1, Level 2, and Level 3 as defined below:

Level 1 - in the context of inputs used for valuation of a financial instrument are those inputs which are quoted prices (unadjusted) in active markets for identical instruments that a bank can access at the measurement date. In reference to the valuation of an instrument, it refers to a valuation that is substantively based on Level 1 inputs and does not have any significant Level 2 or Level 3 inputs.

Level 2 - in the context of inputs used for valuation of a financial instrument are those inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly. In reference to the valuation of an instrument, it refers to a valuation that is based on Level 1 and Level 2 inputs and does not have any significant Level 3 inputs.

Level 3 - in the context of inputs used for valuation of a financial instrument are unobservable inputs. In reference to the valuation of an instrument, it refers to a valuation in which there is a significant Level 3 input.

The fair value for the purpose of initial recognition and periodical valuation of Investments is determined as per table below:

(a)	Quoted Securities	The fair value for the quoted securities are the prices declared by the Financial Benchmarks India Private Ltd. (FBIL). For securities whose prices are not published by FBIL, the fair value of the quoted security is based upon quoted price as available from the trades/ quotes on recognised stock exchanges, reporting platforms or trading platforms authorized by RBI/SEBI or prices declared by the Fixed Income Money Market and Derivatives Association of India (FIMMDA).	(e)	Special securities	Special securities issued by Government of India but do not carry SLR status are valued at a spread of 25 basis points above the corresponding yield on Central Government securities of equivalent maturity.
			(f)	Zero coupon bonds (ZCBs)	In the absence of market value, the ZCBs are marked to market with reference to the present value of the ZCB. The fair value so determined is compared with the carrying cost to determine valuation gain or loss.
(b)	Unquoted SLR Securities	(i) Treasury Bills are valued at carrying cost. (ii) Unquoted Central / State Government securities are valued on the basis of the prices/ YTM rates published by FBIL. (iii) Other approved securities are valued by applying YTM method by marking them up by 25 basis points above the yields of the Central Government Securities of equivalent maturity put out by FBIL.	(g)	Preference Shares	Quoted: If traded on exchange within 15 days prior to the valuation date, the value is not taken higher than the price at which the share was traded. Unquoted: On YTM basis with appropriate mark-up over the YTM rates for Central Government Securities of equivalent maturity put out by FBIL subject to ceiling of redemption value of such preference shares.
(c)	Unquoted Non-SLR Securities	Unquoted debentures and bonds are valued by applying the appropriate mark-up over the YTM rates for Central Government Securities as put out by FBIL/FIMMDA.	(h)	Equity shares	For equity shares which are classified as illiquid or not listed on a recognised exchange, the fair value considered is break-up value (without considering 'revaluation reserves', if any) and the same is ascertained from the company's latest audited balance sheet. In case, the latest audited balance sheet is not available or is more than 18 months old, the shares are valued at ₹ 1 per company.
(d)	Ujjwal DISCOM Assurance Yojana (UDAY) bonds and bonds issued by state distribution companies (DISCOMs)	(i) UDAY bonds are valued on basis of prices/ yields published by FBIL. (ii) State government guaranteed bonds issued and serviced by DISCOM are valued by applying a mark-up of 75 basis points on YTM rates for Central Government securities of equivalent maturities as published by FBIL. (iii) Other bonds issued and serviced by DISCOMs are valued by applying a mark-up of 100 basis points on YTM rates for Central Government Securities of equivalent maturities published by FBIL. (iv) Bonds issued and serviced by the State Government are valued by applying a mark-up of 50 basis points on YTM rates for Central Government Securities of equivalent maturities as published by FBIL.	(i)	Mutual Funds Units (MF Units)	(a) Investment in un-quoted MF units are valued on the basis of the latest repurchase price declared by the MF in respect of each scheme. (b) In case of funds with a lock-in period or where repurchase price/ market quote is not available, units are valued at Net Asset Value (NAV) of the scheme. If NAV is not available, these are valued at cost, till the end of the lock-in period.
			(j)	CD/ CP	Certificate of Deposits or Commercial paper is valued at the carrying cost.

(k)	Security receipts (SRs) and other instruments issued by Asset Reconstruction Company (ARC)	Investments by lenders in SRs (Security Receipts) / other securities issued by ARCs (Asset Reconstruction Companies) are valued periodically by reckoning the Net Asset Value (NAV) declared by the ARC based on the recovery ratings received for such instruments. If the Bank invests in the SRs / PTCs issued by ARCs in respect of the stressed loans transferred by them to the ARC, the Bank carries the investment in books on ongoing basis, until its transfer or realization, at lower of the redemption value of SRs arrived based on the NAV and the NBV of the transferred stressed loan at the time of transfer. If the investment by the transferor (Bank) in SRs issued against loans transferred by it is more than 10 percent of all SRs issued against the transferred asset, then the valuation of the SRs on the books of the transferor is the lower of the following: i) Net Asset Value (NAV) declared by the ARC based on the recovery ratings received for such instruments; and (ii) Face value of the SRs reduced by the notional provisioning rate applicable if the loans had continued on the books of the Bank Further, Security Receipts guaranteed by the Government of India are valued quarterly by reckoning the Net Asset Value (NAV) declared by the ARC. However, security receipts outstanding after the final settlement of the government guarantee or the expiry of the guarantee period, whichever is earlier, is valued at ₹1.
(l)	Investment in Alternative Investment Funds (AIFs)	If Quoted, as per market price. Unquoted instruments of AIFs are valued at the NAV as disclosed by the AIF. Where an AIF fails to carry out and disclose the valuation of its investments, the value of its units is treated as ₹1.
(m)	Venture Capital Funds	At net asset value (NAV) declared by the VCF
(n)	Other Investments	At carrying cost less diminution in value

4.8 When principal and/or interest are converted into equity, debentures, bonds, etc., such instruments are categorised in HTM, AFS or FVTPL (including HFT) at the time of initial recognition. Further, the asset classification of such instruments are same as the loan and provision are made as per the relevant norms.

4.9 Accounting Treatment on sale/ maturity of investments:

I. HTM: Any profit or loss on the sale of investments in HTM is being recognised in the Profit and Loss Account under Item II of Schedule 14: 'Other Income'. The profit on sale of an investment in HTM is appropriated from the Profit and Loss Account to the 'Capital Reserve Account'. The amount so appropriated will be net of taxes and the amount to be transferred to Statutory Reserve.

II. AFS:

a. In the case of equity instruments designated under AFS at the time of initial recognition, any gain or loss on sale of such investments is transferred from AFS-Reserve to the Capital Reserve.

b. On sale or maturity of a debt instrument in AFS category, the accumulated gain/ loss for that security in the AFS-Reserve is transferred from the AFS Reserve and recognized in the Profit and Loss Account under item II Profit on sale of investments under Schedule 14-Other Income.

III. FVTPL: Any profit or loss on the sale is recognised directly through Profit and Loss Account including HFT securities.

IV. Subsidiaries, Associates and Joint Ventures: Any gain/ profit arising on the reclassification/ sale of an investment in a subsidiary, associate or joint venture is first recognised in the Profit and Loss Account and then appropriated from the Profit

and Loss Account to the 'Capital Reserve Account'. The amount so appropriated will be net of taxes and the amount to be transferred to Statutory Reserves.

All other guidelines of Reserve Bank of India (Commercial Banks - Classification, Valuation, and Operation of Investment Portfolio) Directions, 2025 dated November 28, 2025, and other subsequent guidelines/clarifications are adhered to.

4.10 Securities repurchased/resold under buy back arrangement are accounted for at original cost.

4.11 Investments are subject to appropriate provisioning/ de-recognition of income, in line with the prudential norms of Reserve Bank of India for NPI classification. Once an investment is classified as an NPI, it is segregated from rest of the portfolio and not considered for netting valuation gains and losses.

If any credit facility availed by an entity is NPA in the books of the Bank, investment in any of the securities issued by the same entity is also treated as NPI and vice versa. However, in respect of NPI preference share where the dividend is not paid, the corresponding credit facility is not treated as NPA.

In case of securities, i.e., bonds, debentures, etc. the provision is made as higher of the following amounts:

(i) The amount of provision required as per IRACP norms computed on the carrying value of the investment immediately before it was classified as NPI; and

(ii) The depreciation on the investment with reference to its carrying value on the date of classification as NPI.

Upon an account being upgraded as per IRACP norms, any provision previously recognised is reversed and symmetric recognition of MTM gains and losses will be resumed.

In the case of investment in the unquoted shares of any company which are valued at 1 per company on account of the non-availability of the latest balance sheet, those equity shares are reckoned as NPI. The NPI may be upgraded subsequently on receipt of audited balance sheet.

Provisions for investments classified under AFS (Available for Sale) are managed as follows:

- When there are cumulative gains in the AFS-Reserve, the required provision may be created by charging the AFS-Reserve up to the amount of these gains.
- When there are cumulative losses in the AFS-Reserve, these losses are transferred from the AFS-Reserve to the Profit and Loss Account.

4.12 Securities sold or purchased with an agreement to repurchase or resell under Repo or Reverse Repo transactions, including those under the Liquidity Adjustment Facility (LAF) with the RBI, shall be recorded as borrowings or lending. Securities sold under Repo agreements remain classified under investments, while securities purchased under Reverse Repo agreements shall not be included in investments. The associated costs and revenues shall be accounted for as interest expenditure or income, respectively.

4.13 The derivative transactions are undertaken for trading or hedging purposes. Trading transactions are marked to market. As per RBI guidelines, different categories of swaps are valued as under:

Hedge Swaps

Interest rate swaps with hedge interest bearing asset or liability are accounted for on accrual basis except the swaps designated with an asset or liability that are carried at lower of market value or cost in the financial statement.

Gain or losses on the termination of swaps are recognized over the shorter of the remaining contractual life of the swap or the remaining life of the asset/ liabilities.

Trading Swaps

Trading swap transactions are marked to market with changes recorded in the financial statements. Exchange Traded Derivatives entered into for trading purposes are valued at prevailing market rates based on rates given by the Exchange and the resultant gains and losses are recognized in the Profit and Loss Account.

4.14 Foreign Currency Options:

Foreign currency options written by the Bank with a back-to-back contract with another bank are not marked to market since there is no market risk.

Premium received is held as a liability and transferred to the Profit and Loss Account on maturity/cancellation.

5. LOANS / ADVANCES AND PROVISIONS THEREON:

5.1 Advances are classified as performing and non-performing assets; provisions are made in accordance with prudential norms prescribed by RBI.

(a) Advances are classified: Standard, Sub Standard, Doubtful and Loss assets borrower wise.

(b) Advances are stated net of specific loan loss provisions, provision for diminution in fair value of restructured advances.

5.2 In respect of foreign offices, the classification of loans and advances and provisions for NPAs are made as per the local regulations or as per the norms of RBI, whichever is more stringent.

Loans and advances held at the overseas branches that are identified as impaired as per host country regulations for reasons other than record of recovery, but which are

standard as per the extant RBI guidelines, are classified as NPAs to the extent of amount outstanding in the host country.

5.3 Financial Assets sold are recognized as under:

(a) Prudential norms for the transfer transactions to ARCs:

When the stressed loan is transferred to ARC at a price below the NBV at the time of transfer, the Bank has debited the shortfall to the profit and loss account for the year in which the transfer has taken place. Banks are permitted to use countercyclical or floating provisions for meeting any shortfall on transfer of stressed loan when the transfer is at a price below the NBV.

On the other hand, when the stressed loan is transferred to an ARC for a value higher than the NBV at the time of transfer, lenders shall reverse the excess provision on transfer to the profit and loss account in the year the amounts are received and only when the sum of cash received by way of initial consideration and / or redemption or transfer of Security Receipts (SR) / Pass Through Certificates (PTCs)/ other securities issued by ARCs is higher than the NBV of the loan at the time of transfer. Further, such reversals are limited to the extent to which cash received exceeds the NBV of the loan at the time of transfer.

As per RBI/DOR/2025-26/159 DOR.STR.REC.No.78/21.04.048/2025-26 dated November 28, 2025, with a view to adopting a differentiated approach in respect of SRs guaranteed by the Government of India, the prudential treatment relating to valuation of such SRs is such that if a loan is transferred to an ARC for a value higher than the net book value (NBV), the excess provision is reversed to the Profit and Loss Account in the year of transfer if the sale consideration comprises only of cash and SRs guaranteed by the Government of India. However, the non-cash component

in the form of SRs is deducted from CET 1 capital, and no dividends are paid out of this component.

(b) Prudential norms for the transfer transactions to transferee(s) other than ARCs - Provisioning norms:

(i) When the bank transfers its NPAs to transferee(s) other than ARCs, the same are removed from the books on receipt of the entire transfer consideration.

(ii) If the transfer to transferee(s) other than ARCs is at a price below the net NBV at the time of transfer, the shortfall is debited to the profit and loss account of the year in which transfer has taken place.

(iii) If the sale consideration is for a value higher than the NBV at the time of transfer, the excess provisions has been reversed.

(c) The excess amount received, if any, over & above memoranda dues is credited proportionately to the respective heads of Income Interest on Loans and Advances say Income Interest on CC/ Term Loan, etc.

In case, the excess amount is to be returned subsequently due to, e.g., DRT/ Court orders or any other eventuality, the same head is debited to refund the excess amount recovered.

5.4 Restructured Assets:

For restructured/rescheduled advances, provisions are made in accordance with guidelines issued by RBI from time to time. Provision for diminution in fair value of restructured advances is measured at net present value terms as per RBI guidelines for accounts where total dues to the bank are Rupees One Crores and above. For other accounts, the provision for diminution in fair value is computed notionally at 5% of total exposure to the bank as per RBI

guidelines.

5.5 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head 'Other Liabilities & Provisions - Others' and are not considered for arriving at the Net NPAs.

5.6 Amounts recovered against debts written-off in earlier years and provisions no longer considered necessary in the context of the current status of the borrower are recognized in the profit and loss account.

5.7 Provision for Country Exposure:

In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorized into seven risk categories, namely, insignificant, low, moderately low, moderate, moderately high, high and very high, and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures. The provision is reflected in Schedule 5 of the Balance Sheet under the 'Other Liabilities & Provisions - Others'.

5.8 An additional provision of 2% (in addition to country risk provision that is applicable to all overseas exposures) against standard assets representing all exposures to step down subsidiaries of Indian Corporates has been made to cover the additional risk arising from complexity in the structure, location of different intermediary entities in different jurisdictions exposing the Indian Company, and hence the Bank, to a greater political and regulatory risk. (As per RBI Cir. No. RBI/ 2015.16/279 DBR. IBD.BC No. 68/ 23.37.001/ 2015-16 dated 31.12.2015).

5.9 Floating Provision:

The Bank has a policy for creation and utilisation of floating provision. The floating provision, so created can be utilised only for contingencies under extraordinary circumstances specified in the policy after obtaining Bank's Board approval and with prior permission of Reserve Bank of India. Floating provision is netted off from advances to the extent it is not treated as Tier 2 capital.

6. PROPERTY, PLANT & EQUIPMENT:

6.1 Property, Plant & Equipment are stated at historical cost less accumulated depreciation/amortization, wherever applicable, except those premises, which have been revalued in terms of Bank's policy, i.e., every three years. The appreciation on revaluation is credited to revaluation reserve and incremental depreciation attributable to the revalued amount is deducted there from and credited to General reserve.

6.2 Software is capitalized and clubbed under Intangible assets.

6.3 Cost includes cost of purchase and all expenditure such as site preparation, installation costs and professional fees incurred on the asset till the time of capitalization. Subsequent expenditure/s incurred on the assets are capitalized only when it increases the future benefits from such assets or their functioning capability.

6.4 Depreciation:

- A. Depreciation on assets (including land where value is not separable) is provided on straight-line method based on estimated life of the asset, except in respect of computers where it is calculated on the straight-line method, at the rates prescribed by RBI.
- B. Depreciation on assets has been provided at the rates furnished below:

Particulars	Rate of Depreciation
PREMISES	
Freehold Properties	
Land	NIL
Depreciation to be provided on Construction Cost where the land cost is segregated and on total cost where the land cost is not ascertainable and cannot be segregated	2.50% (40 years Straight Line Method or remaining life whichever is lower)
Land acquired on perpetual lease where no lease period is mentioned	NIL
Land acquired on lease where lease period is mentioned	Over lease period
Building	
Constructed on free hold land and on leased land, where lease period is above 40 years	2.50%
Constructed on leased land where lease period is below 40 years	Over lease period
FIXED ASSETS EXCEPT PREMISES	
Furniture and fixtures- Steel articles	5.00%
Furniture and fixtures-wooden articles	10.00%
Mattresses	20.00%
Mobile Phone Instruments	33.33%
Machinery, electrical, Rooftop Solar System and miscellaneous articles	15.00%
Motor cars and cycles	15.00%
Computers, ATMs and related items, Laptop, I- pad, etc., Servers, Network, Equipment & Automated Teller Machines (Including software forming an integral part of computer hardware)	33.33%

Particulars	Rate of Depreciation
Software (excluding software forming an integral part of computer hardware)	33.33%
Exercise cycle	10.00%
Items of office fixed assets amounting less than Rs. 25,000/- and / or having useful life of less than 12 months from the date of acquisition are recognized as expense (except to staff and items costing more than Rs.1,500/- which can be separately used). Assets costing less than Rs.1,500/- each are depreciated @100% in the year of purchase.	
Cost of Application Software / Operating System / Data base amounting up to Rs. 25,000/- are charged to revenue.	

- C. Depreciation on fresh additions to assets other than Bank's own premises is provided from the day in which the assets are capitalized and in the case of assets sold/disposed-off during the year, up to the date in which it is sold/ disposed-off.
- D. The depreciation on bank's own premises existing at the close of the year is charged for full year. The construction cost is depreciated only when the building is complete in all respects. Where the cost of land and building cannot be separately ascertained, depreciation is provided on the composite cost, at the rate applicable to buildings.
- E. In respect of leasehold premises, the lease premium, if any, is amortized over the period of lease and the lease rent is charged in the respective year(s).
- F. The Revalued assets are depreciated over the balance useful life of the asset as assessed at the time of revaluation.

7. IMPAIRMENT OF ASSETS:

The carrying costs of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors, an impairment loss is recognized wherever the carrying cost of

an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, if any, depreciation is provided on the revised carrying cost of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

Impairment loss, if any, in respect of non-banking assets acquired in satisfaction of claims is recognized as an expense in the statement of profit and loss immediately and carrying value of Non-Banking Assets is adjusted.

8. EMPLOYMENT BENEFITS:

PROVIDENT FUND:

Provident fund is a defined contribution scheme as the Bank pays fixed contribution at pre-determined rates. The obligation of the Bank is limited to such fixed contribution. The contribution is charged to Profit & Loss A/c.

GRATUITY:

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation. The scheme is funded by the Bank and is managed by a separate trust.

PENSION:

Pension liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation. The scheme is

funded by the Bank and is managed by a separate trust.

The Bank operates a New Pension Scheme (NPS) for all officers/ employees who have joined the Bank on or after 01.04.2010. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with contribution of 14% of their basic pay plus dearness allowance from the Bank. Pending completion of the registration procedures of the employees concerned, these contributions are retained. The Bank recognizes such annual contributions as an expense in the year to which they relate. Upon the receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS Trust.

COMPENSATED ABSENCES:

Accumulating compensated absences such as Privilege Leave (PL - Superannuation) and Sick Leave (including unavailed casual leave) are provided for based on actuarial valuation. The scheme for Privilege Leave (PL - Superannuation) is funded by the Bank and is managed by a separate trust.

Privilege Leave (PL) encashment other than superannuation are being paid from Bank expenditure account directly.

OTHER EMPLOYEE BENEFITS:

Other Employee Benefits such as Leave Fare Concession (LFC), Silver Jubilee Award, etc., are provided for based on actuarial valuation.

In respect of overseas branches and offices, the benefits in respect of employees other than those on deputation are accounted for as per laws prevailing in the respective countries.

The valuation method used for defined benefit obligations for employee benefits is 'Projected Unit Credit Method'.

9. TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS & BALANCES:

Transactions involving foreign exchange are accounted for in accordance with AS 11, 'The Effect of Changes in Foreign Exchange Rates'.

9.1 All monetary assets and liabilities, guarantees, acceptances, endorsements and other obligations are translated in Indian Rupee equivalent at the exchange rates prevailing as on the Balance Sheet date as per Foreign Exchange Dealers' Association of India (FEDAI) guidelines.

9.2 Non-monetary items other than fixed assets which are carried at historical cost are translated at exchange rate prevailing on the date of transaction.

9.3 Outstanding Foreign Exchange Spot and Forward contracts are translated as on the Balance Sheet date at the rates notified by FEDAI and the resultant gain/loss on translation is taken to Profit & Loss Account.

Funding Swaps that are outstanding on the Balance Sheet date is out of purview of FEDAI revaluation guidelines. The premium or discount arising at the inception of such a forward exchange contract is amortized as interest expense or income over the life of the contract.

9.4 Income and expenditure items are accounted for at the exchange rate prevailing on the date of transaction.

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognized as income or as expense in the period in which they arise.

Gains/Losses on account of changes in exchange rates of open position in currency futures trades are settled with the exchange clearing house on daily basis and such gains/losses are recognized in the Profit and Loss Account.

9.5 Offices outside India / Offshore Banking Units:

(i) Operations of foreign branches and off shore banking unit are classified as 'Non-integral foreign operations' and operations of representative offices abroad are classified as 'integral foreign operations'.

(ii) Foreign currency transactions of integral foreign operations and non-integral foreign operations are accounted for as prescribed by AS-11.

(iii) Exchange Fluctuation resulting into Profit / loss of non-integral operations is credited /debited to Exchange Fluctuation Reserve.

10. TAXES ON INCOME

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The current tax expense and deferred tax expense are determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 - Accounting for Taxes on Income respectively after taking into account taxes paid at the foreign offices, which are based on the tax laws of respective jurisdictions.

Deferred Tax adjustments comprise of changes in the deferred tax assets or liabilities during the year. Deferred tax assets and liabilities are recognized by considering the impact of timing differences between taxable income and accounting income for the current year and carry forward losses. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. The impact of changes in deferred tax assets and liabilities is recognized in the profit and loss account. Deferred tax assets are recognized and re-assessed at each reporting date, based upon management's

judgment as to whether their realization is considered as reasonably/virtually certain.

11. EARNINGS PER SHARE:

The Bank reports basic and diluted earnings per share in accordance with AS 20 - 'Earnings per Share' issued by the ICAI. Basic Earnings per Share is computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

Diluted Earnings per Share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted Earnings per Share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding.

12. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

In conformity with AS 29, 'Provisions, Contingent Liabilities and Contingent Assets', issued by the Institute of Chartered Accountants of India, the Bank recognizes provisions only when it has a present obligation as a result of a past event, and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

A Contingent Liability is a potential liability, in terms of money, which may arise depending on the outcome of an uncertain specific event. A possible obligation which may or may not arise depending on how a future event unfolds has been recognized as Contingent Liability.

Further, the cases which although have been filed against the Bank, but possibility of any obligation arising upon the Bank in those case is remote, have not been construed and included in Contingent Liability.

Contingent Assets are not recognized in the financial statements.

13. BULLION TRANSACTIONS:

The Bank imports bullion including precious metal bars on a consignment basis for selling to its customers. The imports are typically on a back-to-back basis and are priced to the customer based on price quoted by the supplier. The Bank earns a fee on such bullion transactions.

The fee is classified under commission income. The Bank also accepts deposits and lends gold, which is treated as deposits/advances as the case may be with the interest paid / received classified as interest expense/income.

14. SEGMENT REPORTING:

The Bank recognizes the Business segment as the Primary reporting segment and Geographical segment as the Secondary reporting segment, in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 issued by ICAI.

15. The Bank, in accordance with RBI Circular FIDD.CO.Plan.BC.23/ 04.09.01/ 2015-16 dated April 7, 2016, trades in Priority Sector portfolio by selling or buying PSLC. There is no transfer of risks or loan assets in these transactions. The fee paid for purchase of the PSLC is treated as an 'Expense' and the Fee received from sale of PSLCs is treated as 'Other Income'.

16. CASH & CASH EQUIVALENTS

Cash and cash equivalents include:

- a) Cash and Balances with RBI, Balances with Bank and money at call and short notice.
- b) The balances in Reverse Repo are reported as per the guidelines provided by RBI (i.e., under schedule 6, schedule 7 and schedule 9, as applicable). The balance held by the Bank under Standing Deposit Facility (SDF) is also reported similarly.

NOTES TO ACCOUNTS

1. The 5 Subsidiaries and 11 Associates (which along with Punjab National Bank, the parent, constitute the Group) are considered in the preparation of the consolidated financial statements are as under:

(In %)

Sr. No.	Name of the Subsidiary Company	Country of incorporation	% Voting power held as at	
			31.03.2026	31.03.2025
1.	PNB Gilts Limited ¹	India	74.07	74.07
2.	PNB Investment Services Ltd. ¹	India	100.00	100.00
3.	PNB Cards and Services Ltd. ¹	India	100.00	100.00
4.	Punjab National Bank (International) Ltd.UK	United Kingdom	100.00	100.00
5.	Druk PNB Bank Ltd. Bhutan ¹	Bhutan	51.00	51.00

¹The financial statements of the company is subject to Supplementary Audit by the Comptroller & Audit General of India, under the Companies Act, 2013 and receipt of their report.

2. **Associates considered in consolidated financial statements are as under:**

(In %)

Sr. No.	Associates	Country of incorporation	Proportion of ownership percentage as at	
			31.03.2026	31.03.2025
1	PNB Metlife India Insurance Company Ltd	India	30.00	30.00
2	PNB Housing Finance Limited.**	India	28.04	28.10
3	Everest Bank Ltd.	Nepal	20.02	20.02

Sr. No.	Associates	Country of incorporation	Proportion of ownership percentage as at	
			31.03.2026	31.03.2025
4	Assam Gramin Bank, Guwahati	India	35.00	-
5	Bihar Gramin Bank, Patna	India	35.00	-
6	Himachal Pradesh Gramin Bank, Mandi.	India	35.00	35.00
7	Punjab Gramin Bank, Kapurthala	India	35.00	35.00
8	Haryana Gramin Bank, Rohtak^	India	35.00	35.00
19	Manipur Rural Bank, Imphal	India	35.00	35.00
10	West Bengal Gramin Bank, Kolkata.	India	35.00	-
11	Tripura Gramin Bank, Agartala	India	35.00	35.00
12	Prathama UP Gramin Bank, Moradabad ^	India	-	35.00
13	Dakshin Bihar Gramin Bank, Patna ^	India	-	35.00
14	Assam Gramin Vikash Bank, Guwahati	India	-	35.00
15	Bangiya Gramin Vikash Bank, Murshidabad ^	India	-	35.00
16	JSC (Tengri Bank), Almaty, Kazakhstan*	Kazakhstan	-	41.64
17	Canara HSBC Life Insurance Co. Ltd.	India	-	23.00

^Pursuant to Gazette notification no. 1604 dated 05.04.2025, on Phase IV Amalgamation, w.e.f. 01.05.2025, Prathama UP Gramin Bank has been amalgamated to Utter Pradesh Gramin Bank, while Utter Bihar Gramin Bank (earlier sponsored by Central Bank of India) have been amalgamated with Dakshin Bihar Gramin Bank to form Bihar Gramin Bank and Paschim Banga Gramin Bank (sponsored by UCO Bank) and Uttarbanga Kshetriya Gramin Bank, (sponsored by Central Bank of India) have been amalgamated with Bangiya Gramin Vikash Bank to form West Bengal Gramin Bank.

*AFR (Agency for Regulation and Development of Financial Market, Kazakhstan) revoked license of JSC Tengri Bank, w.e.f. 18.09.2020 which is under liquidation.

**Dilution is due to ESOP.

Note- Canara HSBC Life Insurance Company Ltd. has ceased to be an Associate of the Bank w.e.f. 17.10.2025 as the Bank's shareholding in the company declined from 23% to 13% following the sale of shares through an OFS-IPO.

3.1 Capital Reserve

(₹ in Crore)

Particulars	As at 31.03.2026	As at 31.03.2025
Capital Reserve on Consolidation (Net)	74.21	74.21

3.2 Perpetual bonds/sub-ordinated debt raised as Tier I and Tier II Capital:

(₹ in Crore)

Sr. No.	Particulars	As at 31.03.2026	As at 31.03.2025
	Amount of non-equity Tier 1 capital raised during the year ended, of which:	0.00	0.00
i)	a) Basel III compliant Perpetual Non-Cumulative Preference Shares	0.00	0.00
	b) Basel III compliant Perpetual Debt Instruments	0.00	0.00
	Amount of Tier 2 capital raised during the half year of which Basel III compliant:	0.00	3,000.00
	a) Debt Capital Instruments as Tier 2 Capital	0.00	3,000.00
	b) Perpetual Cumulative Preference Shares	0.00	0.00

Sr. No.	Particulars	As at 31.03.2026	As at 31.03.2025
	c) Redeemable Non-Cumulative Preference Shares	0.00	0.00
	d) Redeemable Cumulative Preference Shares	0.00	0.00

3.3 The capital adequacy ratio (as per Basel III) of the bank group is as below:

(₹ in Crore)

Sr. No.	Particulars	As at 31.03.2026	As at 31.03.2025
i)	Common Equity Tier 1 Capital (CET 1) (Net of deductions)	1,25,865.79	1,04,470.46
ii)	Additional Tier 1 capital	14,090.07	14,517.99
iii)	Tier 1 capital (i + ii)	1,39,955.86	1,18,988.45
iv)	Tier 2 capital	23,595.32	24,883.87
v)	Total capital (Tier 1+Tier 2)	1,63,551.18	1,43,872.32
vi)	Total Risk Weighted Assets (RWAs)	9,21,006.82	8,43,641.55
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)	13.67%	12.38%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	15.20%	14.10%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	2.56%	2.95%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	17.76%	17.05%
xi)	Leverage Ratio	6.42%	6.03%

RBI vide circular no. DORCAP.REC.70/21.06.002/2025-26 dated November 28, 2025, has given discretion to banks to consider Revaluation Reserve, Foreign Currency Translation Reserve and Deferred Tax Asset for purpose of computation of Capital Adequacy as CET-1 capital ratio. The Bank has exercised the option in the above computation.

4. DISCLOSURES REQUIRED BY ACCOUNTING STANDARDS

4.1 Accounting Standard 5 - Net Profit or Loss for the Period, Prior Period items and Change in Accounting Policies

During the Current and Previous year there were no material prior period income/ expenditure items requiring disclosure under Accounting Standard 5.

There is no material impact of changes in Significant Accounting Policies followed for preparation of financial results for the year ended March 31, 2026 as compared to those followed for the preparation of financial statements for the year ended March 31, 2025.

To the extent of impact of these guidelines, the corresponding previous periods' / year's figures are not comparable with that of the current period.

4.2 Accounting Standard 9 - Revenue Recognition

Certain items of income are recognized on realization basis as per Accounting Policy No. 3.5. However, the said income is not considered to be material. (Previous year: Certain items of income are recognized on realization basis as per Accounting Policy No. 3.5. However, the said income is not considered to be material).

4.3 Accounting Standard 10 - Properties, Plant and Equipment.

Break-up of total depreciation for the period for each class of assets

(₹ in Crore)

Particulars (Class of Assets)	FY Ending 31.03.2026	FY Ending 31.03.2025
Premises	207.22	147.50
Other fixed assets	860.77	684.70
Leased assets	0.32	0.01
Computer software	212.89	125.30
Total	1,281.20	957.51

4.4 Accounting Standard 11- The effects of Changes in Foreign Exchange rates:

Movement of Foreign Currency Fluctuation Reserve

(₹ in Crore)

Particulars	FY Ending 31.03.2026	FY Ending 31.03.2025
Opening Balance	998.98	877.00
Addition/Deduction during FY due to change in Profit & Loss account	126.07	1.96
Addition/Deduction during the FY due to translation of Assets & Liabilities	156.03	120.03
Closing Balance	1,281.08	998.99

4.5 Accounting Standard 15 (Revised) - Employees Benefits:

4.5.i Defined Benefit Plans

Table I - Principal Actuarial Assumptions and The Basis of These Assumptions

Actuarial Assumptions	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Discount Rate	7.36%	6.79%	7.33%	6.78%	7.33%	6.78%
Expected return on Plan Assets	7.36%	6.79%	7.33%	6.78%	7.33%	6.78%
Rate of Escalation in Salary	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Attrition Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Table II - Changes in Present Value of the Obligation

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Present value of the obligation at the beginning of the year	56,210.33	51,990.93	4,094.20	4,208.18	4,452.50	4,036.42
Add: Interest Cost	3,707.73	3,653.00	253.33	276.79	262.43	244.55
Add: Current Service Cost	457.27	446.11	249.26	250.13	538.53	634.00
Add: Past Service Cost	0.00	0.00	0.56	0.00	0.42	0.00
Less: Benefits Paid	4,639.97	4,643.28	442.29	536.57	273.73	188.53
Actuarial (Gains) / Losses on obligations (Balancing Figure)	1079.64	4,763.73	392.29	260.59	(347.13)	58.26
Present value of obligation as at the end of year	56,815.00	56,210.33	4,541.93	4,409.23	4,632.13	4,546.99

Table III - Changes in the FV of Plan Assets

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Fair Value of Plan Assets, as at the beginning of the year	55,515.39	50,876.65	3,960.90	4,216.27	4,448.10	3,919.56
Add: Expected return on Plan Assets	3,660.54	3,572.22	252.16	286.72	278.76	257.97
Add: Contribution paid by Bank	2,819.05	4,959.74	377.64	359.13	207.40	508.36
Less: Benefits Paid	515.85	4,643.28	46.56	536.98	81.96	307.39
Actuarial (Loss) / Gain on Plan Assets (Balancing Figure)	4,639.97	750.06	442.71	54.26	274.78	69.60
Fair Value of Plan Assets, as at the end of the year	57,870.86	55,515.39	4,194.55	4,330.35	4,741.44	4,448.10

Table IV - Actual Return on Plan Assets

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Expected return on Plan Assets	3,660.54	3,572.22	251.87	260.49	278.76	257.97
Add: Actuarial (Loss) / Gain on Plan Assets	515.85	750.06	46.80	54.26	81.96	69.60
Actual return on Plan Assets	4,176.39	4,322.28	298.67	314.75	360.72	327.57

Table V - Net Actuarial (Gain) / Loss Recognized

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Actuarial (Gain) / Loss for the period - Obligations	1,079.64	4,763.73	392.39	259.79	(345.40)	152.99
Actuarial (Gain) / Loss for the period - Plan Assets	(515.85)	(750.06)	(46.80)	(55.08)	(81.96)	(69.60)
Total (Gain) / Loss for the period	563.79	4,013.67	345.59	204.71	(427.36)	83.39
Actuarial (Gain) / Loss recognized in the year	563.79	4,013.67	345.59	204.71	(427.36)	83.39
Unrecognized Actuarial (Gain) / Loss at the end of the year	0.00	0.00	0.00	0.00	0.00	0.00

Table VI - Amount recognized in Balance Sheet

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Present value of Defined Benefit Obligation	56,815.00	56,210.33	4,541.62	4,404.61	4,631.03	4,546.44
Less: Fair value of Plan Assets	57,870.86	55,515.39	4,194.55	4,330.35	4,741.44	4,448.10
Deficit / (Surplus)	(1,055.86)	694.94	347.08	184.19	(112.05)	2.40
Net Liability/ (Asset)	(1,055.86)	694.94	347.08	129.11	(111.76)	2.73
Amounts in the Balance Sheet	0.00	0.00	0.00	55.08	1.06	95.27
Liability Recognized in the Balance Sheet	(1,055.86)	694.94	347.08	129.17	(110.70)	2.65
Assets Recognized in the Balance Sheet (on Family Pension liability)	0.00	0.00	0.00	0.00	0.00	0.00
Net Liability/ (Asset)	(1,055.86)	694.94	347.08	184.25	(110.41)	97.92
Negative amount determined under Paragraph 55 of AS-15 (R)	0.00	0.00	0.00	0.00	0.00	0.00
Present value of available refunds and reductions in future contributions	0.00	0.00	0.00	0.00	0.00	0.00
Asset recognized as per Paragraph 59 (b) of AS-15 (R)	0.00	0.00	0.00	0.00	0.00	0.00

Table VII – Expensed to be recognized in Profit and Loss Account

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Current Service Cost	457.27	446.11	248.90	248.84	538.53	634.25
Add: Interest cost	3,707.73	3,653.00	253.33	276.58	262.43	244.52
Less: Expected return on Plan assets	(3,660.54)	(3,572.22)	(252.16)	(284.98)	(278.76)	(257.97)
Add: Net Actuarial (Gain) / Loss recognized in year	563.79	4,013.67	345.59	204.70	(427.96)	(12.18)
Add: Past Service Cost-Recognized (on Family Pension liability)	-	0.00	0.37	0.00	-	0.00
Expenses recognized in the statement of profit and loss	1,068.25	4,540.56	596.04	446.39	94.24	609.26

Table VIII – Movement in Net Liability to be recognized in Balance Sheet

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Opening Net Liability	694.94	1,114.12	129.34	41.42	2.90	4.40
Add: Expense	1,068.25	4,540.56	595.77	431.75	93.03	507.18
Less: Contributions Paid	(2,819.05)	(4,959.74)	(377.42)	(343.83)	(207.40)	(508.36)
Less: Benefits Paid by the company	-	0.00	-	(0.08)	-	(0.05)
Closing Net Liability/ (Asset) recognized in B/S in current year	(1,055.86)	694.94	347.57	129.34	(111.47)	3.07

Table IX – Amount for the Current Period

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Present value of Obligation	56,815.00	56,210.33	4,538.11	4,086.51	4,629.97	4,451.17
Less: Fair value of Plan Assets	57,870.86	55,515.39	4,190.55	3,957.17	4,741.44	4,448.10
Surplus / (Deficit)	1,055.86	(694.94)	(347.24)	(129.34)	112.05	(3.07)
Experience Adjustments in Plan Liabilities - Loss/ (Gain)	836.81	2,299.69	661.00	114.23	(257.18)	(55.49)
Experience Adjustments in Plan Assets (Loss) / Gain	515.85	750.06	46.80	54.26	81.96	69.60

Table X – Major Categories of Plan Assets (As percentage of Total Plan Assets) as Managed by Trust

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Government of India Securities	1.14%	2.08%	2.04%	3.64%	0.00%	0.00%
State Govt. Securities	8.93%	9.39%	8.98%	9.51%	0.00%	0.00%
High Quality Corporate Bonds	4.17%	4.66%	2.94%	3.24%	0.00%	0.00%
Equity Shares of listed companies/ Mutual fund investments	0.11%	0.19%	0.12%	0.22%	0.00%	0.00%
Property	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Special deposit scheme/ FDRs	0.03%	2.26%	0.02%	1.64%	0.00%	0.00%
Funds managed by Insurer/ Investment in Life Insurance Companies	84.62%	78.11%	84.92%	79.12%	100.00%	100.00%
Other Deposits, Accruals etc.	1.00%	3.31%	0.98%	2.63%	0.00%	0.00%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table XI – Enterprise's Best Estimate of Contribution during Next Year

(₹ in Crore)

Particulars	Pension		Gratuity		Leave Encashment	
	31.03.2027	31.03.2026	31.03.2027	31.03.2026	31.03.2027	31.03.2026
Bank's best estimate of Contribution during next year	990.00	2,090.00	320.00	260.06	430.00	420.08

Table XII – Other Long Term employee benefits (Unfunded)

(₹ in Crore)

Particulars	Sick Leave & Other Leaves (Unfunded)		Leave Fare concession (Unfunded)		Silver Jubilee Bonus (Unfunded)	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Present Value of Obligation	1,379.96	1,320.85	87.96	87.87	25.50	25.26
Opening Balance of Transitional Liability	-	0.00	-	0.00	-	0.00
Transitional Liability recognized in the year	-	0.00	-	0.00	-	0.00
Closing Balance of Transitional Liability	-	0.00	-	0.00	-	0.00
Liability Recognized in Balance Sheet	1,379.96	1,320.85	87.96	87.87	25.50	25.26

Particulars	Basis of Assumptions
Discount Rate	Discount Rate has been determined by reference to market yields at the balance Sheet date on Government bonds (published by FBIL) of terms consistent with currency and estimated term of the obligations.
Expected Rate of Return on Plan Assets	It is assumed that return on the plan assets pertaining to the Pension will be 7.36% and for Gratuity and Leave Encashment fund will be 7.33% p.a.
Salary Escalation Rate (SER)	Based on the broad guidance provided by IBA, SER for the bank has been taken at 6.00% p.a.
Attrition Rate	Attrition rate is assumed at 1% taken with reference to past experience and expected future experience related to voluntary withdrawals.

4.5.ii Defined Contribution Plans (Parent Company): -

“The Bank has Defined Contribution Plan applicable to all categories of employees joining the Bank on or after 01.04.2010. The scheme is managed by NPS trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depository Limited (Protean e-Gov Technologies Limited) has been appointed as the Central Record Keeping Agency for the NPS. The details of contribution are as under:

(₹ in Crore)

During the year ended 31.03.2026 = ₹1701.49	} Contribution includes both Bank + Employee contribution
During the year ended 31.03.2025 = ₹1,551.89	

4.6 Accounting Standard 17 - Segment Reporting

Segment Identification

I. Primary (Business Segment):

The following are the primary segments of the Bank: -

i. **Treasury:** The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.

ii. **Retail Banking:** As per RBI (Commercial Banks - Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025, Retail Banking shall include exposures which fulfil the four criteria of orientation, product, granularity, and low value of individual exposures for retail exposures laid down in RBI (Commercial Banks - Prudential Norms on Capital Adequacy) Directions, 2025. Individual housing loans will also form part of Retail Banking segment for this purpose.

As per RBI guidelines, for the purpose of disclosure under Accounting Standard 17, Segment Reporting, Digital Banking Segment has been identified as sub-segment under Retail Banking by Reserve Bank of India (RBI). As on March 31, 2026, 8 (eight) Digital Banking Units (DBUs) of the Bank are operational and the segment information disclosed as Digital Banking under Retail Banking Operations is related to the said DBUs.

iii. **Corporate / Wholesale Banking** includes all advances which are not included under ‘Retail Banking’.

iv. **Other Banking Operations:** Segments not classified under (i) to (iii) above are classified under this primary segment.

II. Secondary (Geographical Segment):

i. **Domestic Operations** - Branches Offices having operations in India.

ii. **Foreign Operations** - Branches/Offices having operations outside India and offshore banking units having operations in India.

III. Basis of Allocation:

- The interest income is allocated on the basis of actual interest received from different segments.
- Expenses not directly attributable are allocated on the basis of Interest

income earned by the wholesale banking / retail banking segment/ other banking segment.

- Capital employed for each segment is calculated based on the assets and liabilities of that particular segment.
- The Bank has certain common assets and liabilities, which cannot be attributed to any segment, and the same are treated as unallocated.

Segment Information

Part A - Business Segments (Consolidated)

Current FY (2025-26)

(₹ in Crore)

Business Segment	Treasury	Corporate/	Retail Banking			Other	Total
		Wholesale Banking	Digital Banking	Other Retail Banking	Total	Banking Operations	
Revenue	44,781.17	56,734.27	0.56	44,014.40	44,014.96	3,932.90	1,49,463.30
Result	11,371.16	12,386.64	(7.77)	9,495.61	9,487.84	987.39	34,233.03
Unallocated Expenses							7,151.37
Operating Profit*							27,081.66
Provision for Tax							9,985.89
Extraordinary items							-
Share of Earning in Associates (Net)							1,370.93
Minority Interest							74.01
Net profit							18,392.69
Other Information							
Segment Assets	5,62,319.72	8,64,796.20	9.70	5,06,436.78	5,06,446.48	66,285.68	19,99,848.08
Unallocated Assets							33,482.87
Total Assets							20,33,330.95
Segment Liabilities	5,23,224.87	8,13,745.08	48.24	4,81,091.19	4,81,139.43	61,103.89	18,79,213.27
Unallocated Liabilities							4,145.46
Total Liabilities							18,83,358.73
Capital Employed	39,094.85	51,051.12	(38.54)	25,345.59	25,307.05	5,181.79	1,20,634.81
Unallocated Capital Employed							29,337.41
Total Capital Employed							1,49,972.22

*Operating Profit is after deduction of Provision, other than Tax.

Previous FY (2024-25)

(₹ in Crore)

Business Segment	Treasury	Corporate/	Retail Banking			Other Banking Operations	Total
		Wholesale Banking	Digital Banking	Other Retail Banking	Total		
Revenue	40,267.60	58,597.99	0.33	38,305.71	38,306.04	3,285.18	1,40,456.81
Result	10,523.92	11,794.05	(7.39)	8,301.10	8,293.71	1,303.77	31,915.45
Unallocated Expenses							5,862.91
Operating Profit							26,052.54
Provision for Tax							8,612.91
Extraordinary items							0.00
Share of Earning in Associates (Net)							1,112.98
Minority Interest							72.32
Net profit							18,480.29
Other Information							
Segment Assets	5,54,020.24	7,79,293.44	2.48	4,35,672.82	4,35,675.30	47,449.31	18,16,438.29
Unallocated Assets							41,105.34
Total Assets							18,57,543.63
Segment Liabilities	5,20,477.50	7,40,989.10	34.05	4,15,294.54	4,15,328.59	43,584.47	17,20,379.66
Unallocated Liabilities							4,026.01
Total Liabilities							17,24,405.67
Capital Employed	33,542.74	38,304.34	(31.57)	20,378.28	20,346.71	3,864.84	96,058.63
Unallocated Capital Employed							37,079.33
Total Capital Employed							1,33,137.96

Part B - Geographical Segments (Consolidated)

(₹ in Crore)

Particulars	Domestic		International		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue	1,43,805.61	1,35,041.77	5,657.69	5,415.04	1,49,463.30	1,40,456.81
Assets	18,99,562.73	17,51,008.22	1,33,768.22	1,06,535.41	20,33,330.95	18,57,543.63

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.

4.6 Accounting Standard 18 - Disclosure of Related Parties as per Accounting Standard -18 issued by ICAI: (Parent Company)

1. Names of the related parties and their relationship with the Bank:

A. Key Management Personnel (KMP):

- i. Shri Ashok Chandra, Managing Director & CEO
- ii. Shri Kalyan Kumar, Executive Director (From 21.10.2021 to 30.09.2025)
- iii. Shri M. Paramasivam, Executive Director
- iv. Shri Bibhu Prasad Mahapatra, Executive Director
- v. Shri D. Surendran, Executive Director
- vi. Shri Amit Kumar Srivastav, Executive Director

B. Subsidiaries:

- i. PNB Gilts Ltd.
- ii. PNB Investment Services Ltd.
- iii. PNB Cards and Services Ltd.
- iv. Punjab National Bank (International) Ltd., UK.
- v. Druk PNB Bank Ltd, Bhutan.

C. Associates:

- i. PNB Metlife India Insurance Co. Ltd
- ii. PNB Housing Finance Limited
- iii. Everest Bank Limited, Kathmandu, Nepal
- iv. Bihar Gramin Bank, Patna^
- v. Himachal Pradesh Gramin Bank, Mandi
- vi. Punjab Gramin Bank, Kapurthala
- vii. Haryana Gramin Bank, Rohtak
- viii. Assam Gramin Bank, Guwahati
- ix. West Bengal Gramin Bank, Kolkata^
- x. Manipur Rural Bank, Imphal
- xi. Tripura Gramin Bank, Agartala
- xii. JSC (Tengri Bank), Almaty, Kazakhstan.*

^Pursuant to Gazette notification no. 1604 dated 05.04.2025, on Phase IV Amalgamation, w.e.f. 01.05.2025, Prathama UP Gramin Bank has been amalgamated to Utter Pradesh Gramin Bank, while Utter Bihar Gramin Bank (earlier sponsored by Central Bank of India) have been amalgamated with Dakshin Bihar Gramin Bank to form Bihar Gramin Bank and Paschim Banga Gramin Bank (sponsored by UCO Bank) and Uttarbanga Kshetriya Gramin Bank, (sponsored by Central Bank of India) have been amalgamated with Bangiya Gramin Vikash Bank to form West Bengal Gramin Bank.

*AFR (Agency for Regulation and Development of Financial Market, Kazakhstan) revoked license of JSC Tengri Bank, w.e.f. 18.09.2020 which is under liquidation.

Note- Canara HSBC Life Insurance Company Ltd. has ceased to be an Associate of the Bank w.e.f. 17.10.2025 as the Bank's shareholding in the company declined from 23% to 13% following the sale of shares through an OFS-IPO.

Transaction with Related Parties:

Particulars	Associates/ Joint ventures	KMP	Total	Associates/ Joint ventures	KMP	Total
Outstanding as at	31.03.2026			31.03.2025		
Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Deposits	841.57	0.00	841.57	922.67	0.00	922.67
Advances#	7,392.29	0.00	7,392.29	5,149.99	0.00	5,149.99
Placement of Deposits	0.00	0.00	0.00	0.00	0.00	0.00
Leasing/HP arrangements availed	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00
Sales of Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00
Leasing/HP arrangements provided	0.00	0.00	0.00	0.00	0.00	0.00
Investments	1,121.13	0.00	1,121.13	1,121.13	0.00	1,121.13
Other Assets	90.89	0.00	90.89	86.34	0.00	86.34
Non-Fund Commitments (LCs/ BGs)*	43.90	0.00	43.90	48.82	0.00	48.82
Maximum Outstanding during	FY 2025-26			FY 2024-25		
Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Deposits	1,110.81	0.00	1,110.81	894.89	0.00	894.89
Advances	7,392.29	0.00	7,392.29	5,149.99	0.00	5,149.99
Placement of Deposits	0.00	0.00	0.00	0.00	0.00	0.00
i) Bank balances (including Current account/short term deposit)**	16.28	0.00	16.28	83.47	0.00	83.47
Leasing/HP arrangements availed	0.00	0.00	0.00	0.00	0.00	0.00
Leasing/HP arrangements provided	0.00	0.00	0.00	0.00	0.00	0.00
Investments	1,121.13	0.00	1,121.13	1,121.13	0.00	1,121.13
Issuance of Unsecured, subordinated, listed, rated, redeemable, taxable, non-cumulative, non-convertible debentures to Punjab National Bank	0.00	0.00	0.00	0.00	0.00	0.00
Other Assets	92.12	0.00	92.12	97.79	0.00	97.79
Non-Fund Commitments (LCs/ BGs)*	43.61	0.00	43.61	48.82	0.00	48.82
During the Year	FY 2025-26			FY 2024-25		
Interest Paid	3.07	0.00	3.07	1.83	0.00	1.83

Particulars	Associates/ Joint ventures	KMP	Total	Associates/ Joint ventures	KMP	Total
During the Year	FY 2025-26			FY 2024-25		
Income earned by way of Dividend	21.06	0.00	21.06	7.00	0.00	7.00
Other Income	414.72	0.00	414.72	410.79	0.00	410.79
Interest Received	609.44	0.00	609.44	553.38	0.00	553.38
Other expenditure	2.62	0.00	2.62	38.76	0.00	38.76
Profit/Loss on sale of land/building and other Assets	0.00	0.00	0.00	0.00	0.00	0.00
Sale of Investments	0.00	0.00	0.00	0.00	0.00	0.00
Management Contracts	0.00	0.00	0.00	0.00	0.00	0.00
Rendering of Services	0.00	0.00	0.00	0.00	0.00	0.00
Receiving of Services	0.00	0.00	0.00	0.00	0.00	0.00
Other Transactions	10,834.83	0.00	10,834.83	7,167.27	0.00	7,167.27
i) Principal received on assignment of loans from PNBHFL	515.33	0.00	515.33	575.63	0.00	575.63
ii) Term loan given by PNB ^	2,950.00	0.00	2,950.00	4,525.00	0.00	4,525.00
iii) Term loan repaid by PNBHFL ^	2,221.45	0.00	2,221.45	2,066.64	0.00	2,066.64
iv) ECB Raised	1,118.05	0.00	1,118.05	0.00	0.00	0.00
v) Fixed deposit made with PNB	2,015.00	0.00	2,015.00	0.00	0.00	0.00
vi) Fixed deposit redeemed by PNB	2,015.00	0.00	2,015.00	0.00	0.00	0.00

*₹0.25 Crores Bank Guarantee obtained from PNB and given to UIDAI towards Aadhar authentication services availed has not been considered as credit facility. The validity of Bank guarantee has been extended for additional period of 3 years (upto 23rd August 2030).

₹0.04 Crores Bank Guarantee obtained from PNB and given to National Stock Exchange Limited towards issuance of Non-convertible Debenture has not been considered as credit facility. The Bank guarantee is valid up to January 24, 2032 and claim period shall be six months after expiry of the validity period.

**Bank Balance as per PNB MetLife's books of accounts.

Notes from PNBHFL

#Outstanding balance includes USD 35 million which has been purchased by Punjab National Bank from HSBC bank in secondary market.

^Excluding transactions related to rollover of STL availed and repaid against sanction of ₹1200 Crores (i.e. ₹1,200 Crores has been considered only once during the period).

Notes

1. The transactions with the subsidiaries and certain associates have not been disclosed in view of para-9 of AS-18 'Related Party Disclosure', which exempts state controlled enterprises from making any disclosures pertaining to their transactions with other related parties, which are also state controlled.

2. Further, in terms of Paragraph 5 of AS 18, transactions in the nature of Banker-Customer relationship have not been disclosed including those with Key Management Personnel and relatives of Key Management Personnel.

3. The amounts reported are net of provision, if any.

4. Figures related to previous year and have been regrouped / rearranged / reclassified wherever necessary.

4.8. Accounting Standard 19 - Lease (Parent Company)

- i. Operating lease primarily comprise office premises, which are renewable at the option of the bank normally at the end of every 3rd / 5th year.
- ii. As per the information available, non-cancellable lease as on 31.03.2026: Nil (Previous Period as on 31.03.2025: Nil).
- iii. Bank has created a lease equalization reserve of ₹29.74 Crore on the straight-line method for the period ended 31st March 2026 and previous year ended 31st March 2025 ₹24.41 Crore
- iv. The amount of lease payment recognized in P & L Account for operating lease is as below:

Particulars	As at 31.03.2026	As at 31.03.2025
No. of Leased / Rented Premises	14,791	14,909
Amount (₹ in Crore)	929.05	868.27

4.9 Accounting Standard 20 - Earnings per Share

Sr. No.	Particulars	As at 31.03.2026	As at 31.03.2025
A.	EPS - Basic / Diluted (₹)	16.00	16.42
B.	Amount used as numerator Profit/ (Loss) after tax (₹ in Crores)	18,392.69	18,480.29
C.	Nominal value of share (₹)	2.00	2.00
D.	Weighted average number of equity shares used as the denominator	11,49,29,43,268	11,25,66,00,638

4.10 Major components of deferred tax assets and liability are set out below:

(₹ in Crore)

Particulars	As at 31.03.2026	As at 31.03.2025
Deferred Tax Assets		

Particulars	As at 31.03.2026	As at 31.03.2025
Provision for bad & doubtful debts	13,859.71	22,005.03
Provision for leave encashment	377.56	475.38
AFS Reserve	233.57	0.67
Provision for Pension & Gratuity	0.24	0.06
Taxable Loss (Carried Forward)	0.00	212.51
Pre-Incorporation Expenditure	0.00	0.00
Depreciation on fixed assets	221.33	1.58
Other Contingencies	227.61	302.45
Total	14,920.02	22,997.68
Deferred Tax Liabilities		
Depreciation on fixed assets	0.00	(345.95)
Deduction u/s 36 (1) (viii) of Income- tax Act, 1961	1,654.92	1,982.07
AFS Reserves	0.00	204.54
Others	0.00	8.72
Total	1,654.92	1,849.38
Deferred Tax Assets/ (Liability) - Net	13,265.09	21,148.30

Note: "As at 31st March'2026, the Bank's subsidiary, PNBIL, has recognised a deferred tax asset (DTA) of ₹211.45 crores on temporary timing differences relating to loan loss provisions in the IGAAP financials used for consolidated purposes. The DTA was not recognised in earlier periods and has been recognised during FY 2026, considering the OECD Pillar Two tax framework."

4.11 Accounting Standard 28 - Impairment of Assets

A substantial portion of the bank's assets comprises 'Financial Assets' to which Accounting Standard 28 'Impairment of Assets' is not Applicable. In the opinion of the bank, there is impairment of ₹17.92 Crores of its assets (to which the standard applies) to any material extent as at 31.03.2026 requiring recognition in terms of the said standard.

(Previous Period: A substantial portion of the bank's assets comprises 'financial assets' to which Accounting Standard 28 'Impairment of Assets' is Not Applicable. In the opinion of the bank, there is no impairment of its assets (to which the standard applies) to any material extent as at 31.03.2025 requiring recognition in terms of the said standard).

4.12 Accounting Standard 29 - Provisions, Contingent Liabilities and Contingent Assets

i. Movement of provisions for liabilities

Particulars	As at 31.03.2026		As at 31.03.2025	
	Salary arrears	Legal cases/ Contingencies	Salary arrears	Legal cases/ Contingencies
Opening Balance	150.00	145.71	150.00	119.65
Addition / Provided during the half year	0.00	52.40	0.00	54.65
Amounts used/ Reversed during the half year	0.00	10.52	0.00	28.60
Closing Balance	150.00	187.61	150.00	145.70
Timing of outflow/uncertainties	On actual Payment	Outflow on settlement / crystallization	On actual Payment	Outflow on settlement / crystallization

ii Break-up of "Provisions and Contingencies" shown under the head Expenditure in Profit and Loss Account is as follows:

(₹ in Crore)

Provision debited to Profit & Loss Account	As at 31.03.2026	As at 31.03.2025
i. Provisions for NPI / Impairment	(1,233.26)	(11.65)
ii. Provision towards NPA	588.88	1,154.85
iii. Floating Provisions for NPAs (Over and above RBI provisioning norms)	1,295.00	600.00
iv. Provision made towards Income Tax	9,985.90	8,612.91
v. Provision towards Standard Assets	137.78	(209.36)
vi. Other Provisions and Contingencies (with details)	1,694.88	(383.87)
TOTAL	12,469.18	9,762.88

4.13 Refer Schedule-12 on Contingent Liabilities

Such liabilities are dependent upon the outcome of Court/arbitration/out of court settlement, disposal of appeals, and the amount being called up, terms of contractual obligations, devolvement and raising of demand by concerned parties, respectively.

4.14 Break-up of Floating Provisions is as follows:

(₹ in Crore)

Particulars	FY Ending 31.03.2026	FY Ending 31.03.2025
Opening balance	750.00	150.00
Quantum of floating provisions made during the year	1,295.00	600.00
Purpose and amount of draw down made during the year	0.00	0.00
Closing balance	2,045.00	750.00

4.15. Disclosure: Letter of Comfort (LoC)

a. Regarding RRBs

As on 31.03.2026, PNB (as a Sponsor Bank) has issued Letters of Comfort in favour of Micro Units Development & Refinance Agency Limited (MUDRA Ltd.) on behalf of Manipur Rural Bank (MRB) and Bihar Gramin Bank (BGB) for enabling these Sponsored RRBs to become Member Lending Institutions (MLIs) for MUDRA Loans.

Based on the financials of MRB and Letter of Comfort issued by PNB, MUDRA has worked out the refinance limits for MRB for ₹ 3.25 Crores. However, MRB has not availed any refinance during the period April to March 2026. No refinance limit was fixed by MUDRA Ltd. for BGB during the FY 2025-2026.

b. Regarding Subsidiaries and other Associates:

"The Bank has issued a Letter of Comfort to Prudential Regulation Authority (PRA), the regulator in United Kingdom, committing that the bank shall provide financial support to its subsidiary, Punjab National Bank (International) Ltd., UK so that it meets its financial commitments as and when they fall due."

The said Letter of Comfort has been renewed on 15.03.2022 after seeking approval of our Board in favor of PRA w.r.t. our subsidiary PNBIL wherein we have reiterated our commitment. The renewal was done as per instruction of PRA and RBI. Further, Annual assessment of impact of LOC was approved by the Board in its meeting held on 28.02.2026,

as per which the Bank does not foresee any crystallization of financial obligation. Therefore, there is no financial impact on account of this LOC for FY 2025-26.

Apart from the above, the Bank has not issued any Letter of Comfort to Group Entities (subsidiaries and associates).

4.16. Disclosure: Letter of Undertaking

The Bank has provided a Letter of Undertaking for PNB IBU Gift City Branch under Regulation 3 (3) of International Financial Service Centre Authority (IFSCA) that:

- "Bank will provide support and assistance (including liquidity, whenever needed) and as may be appropriate to enable the banking unit to meet its obligations in the course of its obligation".

Apart from the above the Bank has not issued any Letter of Comfort for overseas branches and there are no cumulative financial obligations under the Letter of Comfort.

4.17 The Consolidated financial results are prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements", Accounting Standard 23 on "Accounting for Investment in Associate's in Consolidated Financial Statements" and Accounting Standard 27 on "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India and guidelines issued by RBI.

4.18. Fraud accounts

Particulars	Current Year (FY 2025-26)				Previous Year (FY 2024-25)			
	Borrowal Fraud	Non Borrowal Fraud	Digital Fraud	Total	Borrowal Fraud	Non Borrowal Fraud	Digital Fraud	Total
Number of Frauds reported	445	99	0*	544	84	90	2,746	2,920
Amount involved in Fraud (₹ in Crores)	10,472.65	78.99	0.00	10,551.64	4,358.05	51.61	6.34	4,416.00
Amount of provision made for such frauds (₹ in Crores)	4,681.45	66.98	0.00	4,748.43	2,326.03	49.16*	0.00	2,375.19
Amount of Un-amortized provision debited from 'Other Reserves' as at the end of the year. (₹ in Crores)	-	-	-	-	-	-	-	-

*Reporting of Customer Liability Digital Fraud cases to RBI through CIMS portal has been discontinued as per Master Directions on Fraud Risk Management issued by RBI vide no. DOS.CO.FMG.SEC.No.5/23.04.001/2024-25 on 15.07.2024.

Note -

1. Out of 445 borrowal fraud cases, 108 cases involving a total amount of ₹7,123.91 Crores have been re-reported to RBI after deactivation of fraud in light of judgement by Hon'ble Supreme Court dated 27.03.2023 for providing principal of natural justice to the parties.
2. Difference in Non-borrowal fraud amount and provisioning is due to amount recovered for ₹12.01 Cr.

Note:

Figures of the previous period have been regrouped / rearranged / reclassified wherever necessary to conform to current period's classification.

PUNJAB NATIONAL BANK - STATEMENT OF CONSOLIDATED CASH FLOW FOR THE PERIOD ENDED MARCH 31, 2026

(Rs. in Crore)

Particulars		Yaer ended 31.03.2026 (Audited)	Year ended 31.03.2025 (Audited)
A. Cash Flow from Operating Activities			
(I) Net Profit before tax	(i)	28,378.59	27,093.20
(II) Adjustments for:			
Depreciation on fixed assets		1,281.20	957.51
(Profit) / Loss on sale of Fixed Assets (net)		(7.19)	(4.07)
Depreciation/(Release) on Investments [net]		(833.47)	(1,566.60)
Provisions for non performing assets		1,883.87	1,754.85
Provision on Standard Assets		156.89	(287.18)
Other Provision (net)		1,606.85	93.03
Shares of earning in Associates		(1,370.93)	(1,108.61)
Profit on sale of equity investments held in AFS		0.00	0.46
Interest paid on Bonds		2,911.22	3,116.33
(Profit) / Loss on sale of Investments held in SBJVAS		(925.15)	0.00
Sub Total	(ii)	4,703.29	2,955.70
(III) Adjustment for:			
Decrease/(Increase) in Investments		2,796.53	(73,272.05)
Decrease/(Increase) in Advances		(1,53,094.53)	(1,46,653.63)
Decrease/(Increase) in Other Assets		(19,115.08)	(19,346.67)
Increase/(Decrease) in Deposits		1,47,775.54	1,97,794.65
Increase/(Decrease) in Borrowings		7,240.83	34,646.44
Increase/(Decrease) in Other Liabilities & Provisions		6,981.59	3,974.17
Sub Total	(iii)	(7,415.12)	(2,857.09)
Cash generated from Operations	(i+ii+iii)	25,666.76	27,191.81
Direct Taxes paid (net off Refund)		(31.35)	(5,116.53)
Net Cash from Operating Activities	(A)	25,635.41	22,075.28

(Rs. in Crore)

Particulars		Yaer ended 31.03.2026 (Audited)	Year ended 31.03.2025 (Audited)
B. Cash Flow from Investing Activities			
Purchase of Fixed Assets		(1,624.58)	(1,601.41)
Sale of Fixed Assets		41.50	15.64
Investment in Associates/JV/RRBs (net)		974.08	8.15
Net Cash used in Investing Activities	(B)	(609.00)	(1,577.63)
C. Cash flow from Financing Activities			
Proceeds of Issuance of Equity Shares including Share Premium (net of issue exps.)		0.00	4,987.57
Issue/(Redemption) of Bonds (net)		(5,489.00)	(1,425.50)
Dividend paid		(3,324.90)	(1,651.65)
Interest paid on Bonds		(2,911.22)	(3,116.33)
Increase/ (Decrease) in Minority Interest		61.11	67.65
Net Cash from Financing Activities	(C)	(11,664.01)	(1,138.26)
D. Net Change in Cash and Cash Equivalents	(A+B+C)	13,362.40	19,359.39
Cash and Cash Equivalents at the beginning of the period			
Cash and Balances with Reserve Bank of India		64,389.22	65,325.13
Balances with Banks & Money at Call & Short Notice		86,370.36	66,075.06
		1,50,759.58	1,31,400.19
Cash and Cash Equivalents at the end of the period			
Cash and Balances with Reserve Bank of India		60,882.17	64,389.22
Balances with Banks & Money at Call & Short Notice		1,03,239.81	86,370.36
		1,64,121.98	1,50,759.58

Notes :-

- Cash flow statement has been prepared under the Indirect Method and figures have been regrouped wherever considered necessary.
- Direct taxes paid (net off refund) are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- Figures of previous period have been regrouped wherever considered necessary to conform current period classification.
- Cash and Cash equivalents includes Cash on hand, Balance with RBI & Other Banks and Money at Call and Short Notice.

NOTES

Raman Grover
Chief General Manager & CFO

Amit Kumar Srivastava Executive Director	D. Surendran Executive Director	Bibhu Prasad Mahapatra Executive Director	M Paramasivam Executive Director
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Ashok Chandra
Managing Director & CEO

Vandana Bhagavatula Director	Ambarish Ojha Director	Dr. Uma Sankar Director	D. Anandan Director
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For Ummed Jain & Co. Chartered Accountants FRN: 119250W	For N K Bhargava & Co. Chartered Accountants FRN: 000429N	For Prem Gupta & Co. Chartered Accountants FRN: 000425N	For P A & Associates Chartered Accountants FRN: 313085E
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CA Akhil Jain Partner (M.No. 137970)	CA N K Bhargava Partner (M.No. 080624)	CA Rajan Uppal Partner (M.No. 097379)	CA Braja Nanda Dash Partner (M.No. 062142)
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Date : May 05, 2026
Place: New Delhi



Guardians of Growth

Celebrating the leaders
who shaped our journey.

(Ashok Chandra)
Managing Director & CEO





पंजाब नैशनल बैंक
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