

PUNJAB NATIONAL BANK
REVIEWED FINANCIAL RESULTS
FOR THE QUARTER / HALF-YEAR ENDED 30th SEPTEMBER, 2014

₹ In lacs

	Particulars	Quarter Ended			Half-Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
1.	Interest Earned (a+b+c+d)	1146209	1158869	1073351	2305078	2113805	4322325
	a) Interest/discount on advances/bills	865417	883574	802284	1748991	1589757	3239309
	b) Income on Investments	260920	259853	256830	520773	500762	1026583
	c) Interest on Balances with RBI & other Inter Bank Funds	13733	9252	10090	22985	17947	36224
	d) Others	6139	6190	4147	12329	5339	20209
2.	Other Income	155837	123644	89933	279481	224138	457671
3.	TOTAL INCOME (1+2)	1302046	1282513	1163284	2584559	2337943	4779996
4.	Interest Expended	731089	720899	671797	1451988	1321500	2707728
5.	Operating Expenses (i+ii)	283354	249084	238003	532438	465579	933823
	(i) Employees' Cost	203408	176738	165870	380146	327463	651045
	(ii) Other operating expenses	79946	72346	72133	152292	138116	282778
6.	TOTAL EXPENSES (4+5) (excluding provisions & contingencies)	1014443	969983	909800	1984426	1787079	3641551
7.	Operating Profit (3-6) (Profit before Provisions & Contingencies)	287603	312530	253484	600133	550864	1138445
8.	Provisions (other than tax) and contingencies	176793	92761	189873	269554	296521	669394
9.	Exceptional items	0	0	0	0	0	0
10.	Profit (+)/Loss (-) from ordinary activities before tax (7-8-9)	110810	219769	63611	330579	254343	469051
11.	Tax Expense	53276	79257	13062	132533	76262	134794
12.	Net Profit (+)/Loss(-) from ordinary activities after tax (10-11)	57534	140512	50549	198046	178081	334257
13.	Extraordinary items (net of tax expense)	0	0	0	0	0	0
14.	Net Profit (+)/Loss(-) for the period (12-13)	57534	140512	50549	198046	178081	334257
15.	Paid up equity Share Capital (Face value ₹10/-)	36207	36207	35347	36207	35347	36207
16.	Reserves excluding revaluation reserves (As per Balance Sheet of previous year)	3412507	3412507	3089458	3412507	3089458	3412507



17.	Analytical Ratios						
	(i) Share holding of Govt. of India (%)	58.87	58.87	57.87	58.87	57.87	58.87
	(iia) Capital Adequacy Ratio (%) as per Basel-II	12.54	12.35	12.32	12.54	12.32	12.28
	(iib) Capital Adequacy Ratio (%) as per Basel-III	11.79	11.52	11.62	11.79	11.62	11.52
	(iii) Earnings per Share (EPS) not annualized in ₹						
	(a) Basic & diluted EPS before extraordinary items	15.89	38.81	14.30	54.70	50.38	93.91
	(b) Basic & diluted EPS after extraordinary items	15.89	38.81	14.30	54.70	50.38	93.91
	(iv) NPA Ratios:						
	(a) Amount of gross non-performing assets	2075189	1960284	1652626	2075189	1652626	1888006
	(b) Amount of net non-performing assets	1161777	1046363	960902	1161777	960902	991699
	(c) % of gross NPAs	5.65	5.48	5.14	5.65	5.14	5.25
	(d) % of net NPAs	3.26	3.02	3.07	3.26	3.07	2.85
	(v) Return on Assets (Annualised) %	0.40	1.00	0.40	0.70	0.71	0.64
18.	Public Shareholding						
	(i) No. of Shares	148901807	148901807	148901807	148901807	148901807	148901807
	(ii) Percentage of Share holding	41.13	41.13	42.13	41.13	42.13	41.13
19.	Promoters and Promoter Group Share Holding						
a)	Pledged/Encumbered						
	Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	Percentage of shares(as % of the total shareholding of promoter & promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
	Percentage of shares(as % of the total share capital of the bank)	Nil	Nil	Nil	Nil	Nil	Nil
b)	Non-Encumbered						
	Number of shares	213168119	213168119	204571589	213168119	204571589	213168119
	Percentage of shares(as % of the total shareholding of promoter & promoter group)	100	100	100	100	100	100
	Percentage of shares(as % of the total share capital of the bank)	58.87	58.87	57.87	58.87	57.87	58.87



SUMMARISED BALANCE SHEET

(₹ in Crore)

Particulars	As at Sep 2014 (Reviewed)	As at Sep 2013 (Reviewed)	As at Mar 2014 (Audited)
Capital and Liabilities			
Capital	362.07	353.47	362.07
Reserves and Surplus	37500.94	34152.14	35533.25
Deposits	473511.35	405699.14	451396.75
Borrowings	37997.11	40887.99	48034.41
Other Liabilities and Provisions	16919.83	13326.37	15093.44
Total	566291.30	494419.11	550419.92
Assets			
Cash and Balances with Reserve Bank of India	19118.86	19414.04	22245.58
Balances with bank and Money at call and short notice	31420.48	14316.54	22972.87
Investments	144577.04	134120.29	143785.50
Advances	357092.93	313967.24	349269.12
Fixed Assets	3400.52	3416.50	3419.74
Other assets	10681.47	9184.50	8727.11
Total Assets	566291.30	494419.11	550419.92

NOTES

- 1 The financial results for the quarter and half year ended 30th Sep, 2014, have been prepared following the same accounting policies and practices as those followed in the annual financial statements for the year ended 31st March, 2014 except the policy for sale of financial assets regarding treatment of loss and profit made on sale of accounts in terms of RBI circular no.DBOD.BPBC.No. 98/21.04.132/231-14 dated 26.02.2014. However, there was no impact on profit due to change in policy, during the half year ended on 30.09.2014.
- 2 The above financial results have been reviewed by the Audit Committee in the meeting held on 20.10.2014 and approved by the Board of Directors in the meeting held on 21.10.2014. The same have been subjected to a limited review by the Statutory Central Auditors of the bank, in line with the guidelines issued by the Reserve Bank of India and as per the requirement of Listing agreement with Stock Exchanges.
- 3 The provision for non-performing assets, standard assets, standard derivative exposures and investment depreciation has been made on the basis of extant guidelines on prudential norms for income recognition, asset classification and provisioning issued by the Reserve Bank of India.
- 4 Provisions for employee benefits pertaining to pension, gratuity and leave encashment have been made on actuarial valuation basis. All other usual and necessary provisions including wage revision and income tax have been made on estimated basis.
- 5 In terms of RBI circular no. DBOD.BP.BC.2/21.06.201/2013-14 dated 01.07.2013 banks are required to make Pillar 3 disclosures under BASEL III capital regulations. Accordingly, Pillar 3 disclosures under BASEL III capital regulations are being made available on Bank's website i.e. www.pnbindia.in. These disclosures have not been subjected to Limited Review.

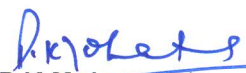


- 6 In accordance with guidelines issued by Reserve Bank of India vide Notification No. DBOD.No.BP.BC.80/21.04.018/2010- 11 dated February 09, 2011, an amount of ₹ 166.18 crore has been charged to Profit & Loss account during the current quarter towards the amortization relating to enhancement in Gratuity limit and re-opening of pension option for existing employees. Unamortized liability carried forward ₹ 332.36 crores shall be charged proportionately in accordance with the said RBI guidelines.
- 7 The Provisioning Coverage Ratio as at 30th Sep 2014 works out to 59.10 %.
- 8 Position of complaints from investors as on 30.09.2014:

At the beginning	Received	Disposed off	Pending
01	33	34	00

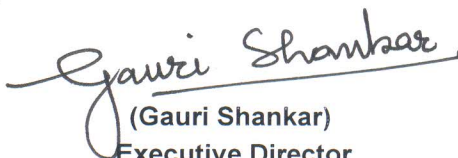
- 9 Figures of the previous period have been regrouped / rearranged / re-classified wherever necessary to conform to current period's classification.


(T K Balamukundan)
Asstt. General Manager


(P K Mohapatra)
General Manager

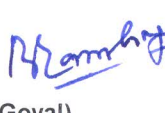
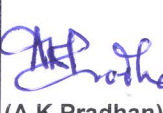
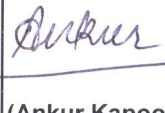

(Dr. Ram S. Sangapure)
Executive Director


(K Veera Brahmaji Rao)
Executive Director


(Gauri Shankar)
Executive Director


(K R Kamath)
Chairman & Managing Director



For Phillipos & Co. Chartered Accountants FRN 002650S  (James Joseph) Partner (M.No. 203604) 	For Borkar & Muzumdar Chartered Accountants FRN 101569 W  (Rajesh C Batham) Partner (M.No. 035941) 	For G S Madhava Rao & Co. Chartered Accountants FRN 001907 S  (G Manikya Prasad) Partner (M.No. 020105) 
For K N Gutgutia & Co. Chartered Accountants FRN 304153E  (B R Goyal) Partner (M.No. 012172) 	For CVK & Associates Chartered Accountants FRN 101745W  (A K Pradhan) Partner (M.No. 032156) 	For Ramesh Kapoor & Co. Chartered Accountants FRN 001477N  (Ankur Kapoor) Partner (M.No. 514159) 

Date : 21/10/2014
Place: New Delhi

SEGMENT REPORTING FOR THE QUARTER/HALF YEAR ENDED 30TH SEPTEMBER 2014

PART A – BUSINESS SEGMENTS

Rs In lacs

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
1	Segment Revenue						
	(a) Treasury Operations	305972	297615	280743	603587	567683	1156487
	(b) Corporate/Wholesale Banking	623576	610722	552552	1234298	1102348	2280260
	(c) Retail Banking	361546	363275	319676	724821	637798	1298618
	(d) Other Banking Operations	10952	10901	10313	21853	30114	44631
	Total Revenue	1302046	1282513	1163284	2584559	2337943	4779996
2	Segment Results						
	(a) Treasury Operations	10278	24228	24891	34506	66270	130238
	(b) Corporate/Wholesale Banking	195117	202675	159207	397792	334558	724758
	(c) Retail Banking	113040	120557	92107	233597	193569	412753
	(d) Other Banking Operations	3426	3617	2825	7043	9140	14186
	Total	321861	351077	279030	672938	603537	1281935
3	Unallocated Expenditure	34257	38547	25546	72804	52673	143490
4	Provisions & Contingencies	176794	92761	189873	269555	296521	669394
5	Profit before Tax	110810	219769	63611	330579	254343	469051
6	Provision for Tax	53276	79257	13062	132533	76262	134794
7	Extraordinary items	0	-	-	-	-	-
8	Net profit	57534	140512	50549	198046	178081	334257
9	Segment Assets						
	(a) Treasury Operations	15126794	14252607	13708808	15126794	13708808	14738938
	(b) Corporate/Wholesale Banking	27768497	26966492	24192518	27768497	24192518	27042005
	(c) Retail Banking	12310640	11927255	10527371	12310640	10527371	11680455
	(d) Other Banking Operations	1070159	1215402	664305	1070159	664305	1207539
	(e) Unallocated	353041	319001	337373	353041	337373	373055
	Total	56629131	54680757	49430375	56629131	49430375	55041992
10	Segment Liabilities						
	(a) Treasury Operations	14203832	13358315	12839381	14203832	12839381	13871663
	(b) Corporate/Wholesale Banking	26074200	25274456	22658203	26074200	22658203	25450787
	(c) Retail Banking	11559504	11178869	9859714	11559504	9859714	10993149
	(d) Other Banking Operations	1004863	1139141	622175	1004863	622175	1136485
	(e) Unallocated	331	376	341	331	341	376
	Total	52842730	50951157	45979814	52842730	45979814	51452460
11	Capital Employed						
	(a) Treasury Operations	922962	894292	869427	922962	869427	867275
	(b) Corporate/Wholesale Banking	1694297	1692036	1534315	1694297	1534315	1591218
	(c) Retail Banking	751136	748386	667657	751136	667657	687306
	(d) Other Banking Operations	65296	76261	42130	65296	42130	71054
	(e) Unallocated	352710	318625	337032	352710	337032	372679
	Total Capital Employed	3786401	3729600	3450561	3786401	3450561	3589532

PART B - GEOGRAPHIC SEGMENTS

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2014	30.06.2014	30.09.2013	30.09.2014	30.09.2013	31.03.2014
		Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
1	Revenue						
	(a) Domestic	1265674	1249946	1139365	2515620	2291950	4682517
	(b) International	36372	32567	23919	68939	45993	97479
	Total	1302046	1282513	1163284	2584559	2337943	4779996
2	Assets						
	(a) Domestic	49046114	47905870	44651642	49046114	44651642	48594534
	(b) International	7583017	6774887	4778733	7583017	4778733	6447458
	Total	56629131	54680757	49430375	56629131	49430375	55041992

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 to make them comparable.



LIMITED REVIEW REPORT

To,
The Board of Directors
Punjab National Bank
New Delhi

1. We have reviewed the accompanying statement of unaudited financial results of Punjab National Bank (the Bank) for the half year ended 30th September, 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been reviewed by us. The Bank Management is responsible for the preparation and presentation of this statement in accordance with the applicable accounting standards, Clause 41 of the listing agreement and the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. In the conduct of our review, we have reviewed financial results of top 20 branches. We have also relied on the review reports in respect of non-performing assets received from in-house concurrent auditors of **644** branches, external concurrent auditors of **429** branches and other firm of auditors of **2** overseas branches specifically appointed for this purpose. These review reports cover **77.23%** of the advances portfolio (inclusive advances of foreign branches) of the bank excluding advance of asset recovery branches and outstanding food credit and, also covers **87.64%** of non-performing assets as on 30th September, 2014. Apart from these review reports, in conduct of our review, we have also relied upon various information and returns received from the branches and also generated centrally on computer systems at Head Office.
4. Based on our review conducted as above, subject to limitation in scope as mentioned in para 3 above read with Notes on Unaudited Financial Results, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards issued by Institute of Chartered Accountants of India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For Phillipos & Co.
Chartered Accountants
(FRN : 002650S)

(James Joseph)

Partner

Membership Number: 203604



For K N Gutgutia & Co.
Chartered Accountants
(FRN : 304153E)

(B R Goyal)

Partner

Membership Number: 012172



For Borkar & Muzumdar
Chartered Accountants
(FRN : 101569 W)

(Rajesh C Batham)

Partner

Membership Number: 035941



For CVK & Associates
Chartered Accountants
(FRN : 101745W)

(A K Pradhan)

Partner

Membership Number: 032156



For G S Madhava Rao & Co
Chartered Accountants
(FRN : 001907S)

(G Manikya Prasad)

Partner

Membership Number: 020105



For Ramesh Kapoor & Co.
Chartered Accountants
(FRN : 001477N)

(Ankur Kapoor)

Partner

Membership Number: 514159



Place: New Delhi
Date: 21.10.2014