

PUNJAB NATIONAL BANK
REVIEWED FINANCIAL RESULTS
FOR THE QUARTER / HALF-YEAR ENDED 30th SEPTEMBER, 2013

₹ In lacs

| | Particulars | Quarter Ended | | | Half-Year Ended | | Year Ended |
|-----|--|----------------|----------------|----------------|-----------------|----------------|----------------|
| | | 30.09.2013 | 30.06.2013 | 30.09.2012 | 30.09.2013 | 30.09.2012 | 31.03.2013 |
| | | Reviewed | Reviewed | Reviewed | Reviewed | Reviewed | Audited |
| 1. | Interest Earned (a+b+c+d) | 1073351 | 1040454 | 1042799 | 2113805 | 2098195 | 4188582 |
| | a) Interest/discount on advances/bills | 802284 | 787473 | 798272 | 1589757 | 1617163 | 3184704 |
| | b) Income on Investments | 256830 | 243932 | 232162 | 500762 | 461777 | 952995 |
| | c) Interest on Balances with RBI & other Inter Bank Funds | 10090 | 7857 | 5596 | 17947 | 11384 | 32486 |
| | d) Others | 4147 | 1192 | 6769 | 5339 | 7871 | 18397 |
| 2. | Other Income | 89933 | 134205 | 90718 | 224138 | 207519 | 422343 |
| 3. | TOTAL INCOME (1+2) | 1163284 | 1174659 | 1133517 | 2337943 | 2305714 | 4610925 |
| 4. | Interest Expended | 671797 | 649703 | 678042 | 1321500 | 1364125 | 2703682 |
| 5. | Operating Expenses (i+ii) | 238003 | 227576 | 202189 | 465579 | 404214 | 816506 |
| | (i) Employees' Cost | 165870 | 161593 | 142625 | 327463 | 284598 | 567472 |
| | (ii) Other operating expenses | 72133 | 65983 | 59564 | 138116 | 119616 | 249034 |
| 6. | TOTAL EXPENSES (4+5) (excluding provisions & contingencies) | 909800 | 877279 | 880231 | 1787079 | 1768339 | 3520188 |
| 7. | Operating Profit (3-6) (Profit before Provisions & Contingencies) | 253484 | 297380 | 253286 | 550864 | 537375 | 1090737 |
| 8. | Provisions (other than tax) and contingencies | 189873 | 106648 | 107383 | 296521 | 210632 | 438561 |
| 9. | Exceptional items | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. | Profit (+)/Loss (-) from ordinary activities before tax (7-8-9) | 63611 | 190732 | 145903 | 254343 | 326743 | 652176 |
| 11. | Tax Expense | 13062 | 63200 | 39345 | 76262 | 95618 | 177409 |
| 12. | Net Profit (+)/Loss(-) from ordinary activities after tax (10-11) | 50549 | 127532 | 106558 | 178081 | 231125 | 474767 |
| 13. | Extraordinary items (net of tax expense) | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. | Net Profit (+)/Loss(-) for the period (12-13) | 50549 | 127532 | 106558 | 178081 | 231125 | 474767 |
| 15. | Paid up equity Share Capital (Face value ₹10/-) | 35347 | 35347 | 33918 | 35347 | 33918 | 35347 |
| 16. | Reserves excluding revaluation reserves (As per Balance Sheet of previous year) | 3089458 | 3089458 | 2602837 | 3089458 | 2602837 | 3089458 |

| | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|--|
| 17. Analytical Ratios | | | | | | | |
| (i) Share holding of Govt. of India (%) | 57.87 | 57.87 | 56.10 | 57.87 | 56.10 | 57.87 | |
| (iia) Capital Adequacy Ratio (%) as per Basel-II | 12.32 | 12.44 | 11.73 | 12.32 | 11.73 | 12.72 | |
| (iib) Capital Adequacy Ratio (%) as per Basel-III | 11.62 | 11.79 | NA | 11.62 | NA | NA | |
| (iii) Earnings per Share (EPS) not annualized in ₹ | | | | | | | |
| (a) Basic & diluted EPS before extraordinary items | 14.30 | 36.08 | 31.42 | 50.38 | 68.14 | 139.52 | |
| (b) Basic & diluted EPS after extraordinary items | 14.30 | 36.08 | 31.42 | 50.38 | 68.14 | 139.52 | |
| (iv) NPA Ratios: | | | | | | | |
| (a) Amount of gross non-performing assets | 1652626 | 1509063 | 1402388 | 1652626 | 1402388 | 1346579 | |
| (b) Amount of net non-performing assets | 960902 | 906001 | 788343 | 960902 | 788343 | 723650 | |
| (c) % of gross NPAs | 5.14 | 4.84 | 4.66 | 5.14 | 4.66 | 4.27 | |
| (d) % of net NPAs | 3.07 | 2.98 | 2.69 | 3.07 | 2.69 | 2.35 | |
| (v) Return on Assets (Annualised) % | 0.40 | 1.04 | 0.91 | 0.71 | 1.00 | 1.00 | |
| 18. Public Shareholding | | | | | | | |
| (i) No. of Shares | 148901807 | 148901807 | 148901807 | 148901807 | 148901807 | 148901807 | |
| (ii) Percentage of Share holding | 42.13 | 42.13 | 43.90 | 42.13 | 43.90 | 42.13 | |
| 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 | 204571589 | 204571589 | 190276876 | 204571589 | 190276876 | 204571589 | |
| 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) | 57.87 | 57.87 | 56.10 | 57.87 | 56.10 | 57.87 | |

SUMMARISED BALANCE SHEET

(₹ in Crore)

| Particulars | As at Sep 2013 (Reviewed) | As at Sep 2012 (Reviewed) | As at Mar 2013 (Audited) |
|---|-------------------------------|-------------------------------|------------------------------|
| Capital and Liabilities | | | |
| Capital | 353.47 | 339.18 | 353.47 |
| Reserves and Surplus | 34152.14 | 29773.34 | 32323.43 |
| Deposits | 405699.14 | 400747.50 | 391560.06 |
| Borrowings | 40887.99 | 28592.75 | 39620.92 |
| Other Liabilities and Provisions | 13211.01 | 12509.04 | 15019.15 |
| Total | 494303.75 | 471961.81 | 478877.03 |
| Assets | | | |
| Cash and Balances with Reserve Bank of India | 19414.04 | 19010.71 | 17886.25 |
| Balances with bank and Money at call and short notice | 14316.54 | 16215.51 | 9249.13 |
| Investments | 134125.05 | 128980.06 | 129896.19 |
| Advances | 313851.88 | 294786.52 | 308725.21 |
| Fixed Assets | 3416.50 | 3234.60 | 3357.67 |
| Other assets | 9179.74 | 9734.41 | 9762.58 |
| Total Assets | 494303.75 | 471961.81 | 478877.03 |

NOTES

- 1 The financial results have been prepared following the same accounting policies and practices as those followed in the annual financial statements for the year ended 31st March, 2013.
- 2 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors in the meeting held on 08.11.2013. 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 In terms of RBI circular No DBOD. DP.BC. No 41/21.04.141/2013-14 dated August 23, 2013 on investment portfolio of the Banks- Classification, valuation and provisioning, the bank has transferred SLR securities with face value of ₹10297.22 crore from AFS/HFT categories to HTM category and fully recognised loss on transfer of securities amounting to ₹47.94 crore during the quarter ended September 30, 2013.

The above mentioned circular further gave banks the option of distributing the net depreciation of the entire AFS&HFT portfolios on each of the valuation date in the current financial year in equal instalment during financial year 2013-14. In accordance with the above circular, the bank has made provision to the tune of ₹348.58 crore being the proportionate additional depreciation.

- 4 Banks are required to disclose capital adequacy ratio under Basel III capital regulations from the quarter ended Jun 30, 2013. Accordingly, comparative details for previous periods except quarter ended Jun 30, 2013 are not applicable.
- 5 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.
- 6 Gratuity, pension, leave encashment, income tax, wage revision and other usual and necessary provisions have been made on an estimated basis.

7 In accordance with guidelines issued by Reserve Bank of India vide Notification No. DBOD.No.BP.BC.80/21.04.018/2010- 11 dated February 09, 2011, an amount of ₹ 166.18 crore has been charged to Profit & Loss account during the current quarter towards the amortization relating to enhancement in Gratuity limit and re-opening of pension option for existing employees. Unamortized liability carried forward ₹ 997.10 crores shall be charged proportionately in accordance with the said RBI guidelines.

8 The Provisioning Coverage Ratio as at 30th Sep 2013 works out to 55.27 %.

9 Position of complaints from investors as on 30.09.2013:

| At the beginning | Received | Disposed off | Pending |
|------------------|----------|--------------|---------|
| 03 | 20 | 23 | 00 |

10 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

(R R Voore)
Dy. General Manager

(P K Mohapatra)
General Manager

(Gauri Shankar)
Executive Director

(Usha Ananthasubramanian)
Executive Director

(Rakesh Sethi)
Executive Director

(K R Kamath)
Chairman & Managing Director

| | | |
|---|--|---|
| For G S Madhava Rao & Co. Chartered Accountants FRN 001907 S (G. Manikya Prasad) Partner (M.No. 020105) | For Borkar & Muzumdar Chartered Accountants FRN 101569 W (Devang Vaghani) Partner (M.No. 109386) | For Phillipos & Co. Chartered Accountants FRN 002650S (James Joseph) Partner (M.No. 203604) |
| 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. 32156) | For Ramesh Kapoor & Co. Chartered Accountants FRN 001477N (Ramesh Kapoor) Partner (M.No. 80725) |

Date : 08/11/2013

Place: New Delhi

SEGMENT REPORTING FOR THE QUARTER /HALF YEAR ENDED 30TH SEPTEMBER 2013

PART A - BUSINESS SEGMENTS

₹ In lacs

| Sr. No. | Particulars | Quarter Ended | | | Half Year Ended | | Year Ended |
|-----------|---------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | | 30.09.2013 | 30.06.2013 | 30.09.2012 | 30.09.2013 | 30.09.2012 | 31.03.2013 |
| | | Reviewed | Reviewed | Reviewed | Reviewed | Reviewed | Audited |
| 1 | Segment Revenue | | | | | | |
| | (a) Treasury Operations | 280743 | 286940 | 254325 | 567683 | 504252 | 1064204 |
| | (b) Corporate/Wholesale Banking | 552552 | 549796 | 577624 | 1102348 | 1114853 | 2234046 |
| | (c) Retail Banking | 319676 | 318122 | 284852 | 637798 | 649929 | 1244100 |
| | (d) Other Banking Operations | 10313 | 19801 | 16716 | 30114 | 36680 | 68575 |
| | Total Revenue | 1163284 | 1174659 | 1133517 | 2337943 | 2305714 | 4610925 |
| 2 | Segment Results | | | | | | |
| | (a) Treasury Operations | 24891 | 41379 | 21805 | 66270 | 50020 | 120923 |
| | (b) Corporate/Wholesale Banking | 159207 | 175351 | 166287 | 334558 | 329557 | 673135 |
| | (c) Retail Banking | 92107 | 101462 | 81171 | 193569 | 192122 | 374857 |
| | (d) Other Banking Operations | 2825 | 6315 | 4776 | 9140 | 10843 | 20662 |
| | Total | 279030 | 324507 | 274039 | 603537 | 582542 | 1189577 |
| 3 | Unallocated Expenditure | 25546 | 27127 | 20753 | 52673 | 45167 | 98840 |
| 4 | Operating Profit | 253484 | 297380 | 253286 | 550864 | 537375 | 1090737 |
| 5 | Provision for Tax | 13062 | 63200 | 39345 | 76262 | 95618 | 177409 |
| 6 | Extraordinary items | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | Net profit | 50549 | 127532 | 106558 | 178081 | 231125 | 474767 |
| 8 | Segment Assets | | | | | | |
| | (a) Treasury Operations | 13708808 | 13647577 | 14166256 | 13708808 | 14166256 | 13614511 |
| | (b) Corporate/Wholesale Banking | 24192518 | 23608984 | 22617726 | 24192518 | 22617726 | 23368267 |
| | (c) Retail Banking | 10527371 | 9919598 | 9458283 | 10527371 | 9458283 | 10111671 |
| | (d) Other Banking Operations | 664305 | 639637 | 639895 | 664305 | 639895 | 456162 |
| | (e) Unallocated | 337373 | 294414 | 314021 | 337373 | 314021 | 337093 |
| | Total | 49430375 | 48110210 | 47196181 | 49430375 | 47196181 | 47887704 |
| 9 | Segment Liabilities | | | | | | |
| | (a) Treasury Operations | 12839381 | 12757915 | 13351133 | 12839381 | 13351133 | 12743438 |
| | (b) Corporate/Wholesale Banking | 22658203 | 22069956 | 21316307 | 22658203 | 21316307 | 21873137 |
| | (c) Retail Banking | 9859714 | 9272957 | 8914056 | 9859714 | 8914056 | 9464715 |
| | (d) Other Banking Operations | 622175 | 597940 | 603076 | 622175 | 603076 | 426976 |
| | (e) Unallocated | 341 | 16330 | 357 | 341 | 357 | 111748 |
| | Total | 45979814 | 44715098 | 44184929 | 45979814 | 44184929 | 44620014 |
| 10 | Capital Employed | | | | | | |
| | (a) Treasury Operations | 869427 | 889662 | 815123 | 869427 | 815123 | 871073 |
| | (b) Corporate/Wholesale Banking | 1534315 | 1539028 | 1301419 | 1534315 | 1301419 | 1495130 |
| | (c) Retail Banking | 667657 | 646641 | 544227 | 667657 | 544227 | 646956 |
| | (d) Other Banking Operations | 42130 | 41697 | 36819 | 42130 | 36819 | 29186 |
| | (e) Unallocated | 337032 | 278084 | 313664 | 337032 | 313664 | 225345 |
| | Total Capital Employed | 3450561 | 3395112 | 3011252 | 3450561 | 3011252 | 3267690 |

Notes :

- 1 Segment Liabilities are distributed in the ratio of their respective Segment Assets.
- 2 As the operations outside India are less than the threshold limit of 10%, secondary segment information is not required to be furnished.
- 3 Figures of the previous period have been re-grouped/re-classified wherever necessary to make them comparable.