

PUNJAB NATIONAL BANK
ANNUAL FINANCIAL RESULTS FOR THE PERIOD ENDED 31st MARCH, 2011

Rs. In lacs

S.No.	Particulars	Quarter Ended (Solo)		Year Ended (Solo)		Year Ended (Consolidated)	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
		AUDITED		AUDITED			
1.	Interest Earned (a+b+c+d)	744029	558473	2698648	2142209	2755124	2193757
	a) Interest/discount on advances/bills	590407	431349	2110455	1667717	2156535	1702149
	b) Income on Investments	147246	122125	563755	455605	572736	469118
	c) Interest on Balances with RBI & other Inter Bank Funds	2223	3075	8420	14921	8438	16658
	d) Others	4153	1924	16018	3966	17415	5832
2.	Other Income	114536	87605	361258	345731	365536	349817
3.	TOTAL INCOME (1+2)	858565	646078	3059906	2487940	3120660	2543574
4.	Interest Expended	441128	310968	1517914	1294402	1550668	1323001
5.	Operating Expenses (I+ii)	166684	110009	636422	476192	644967	482391
	(i) Employees' Cost	112925	65317	446110	312114	449393	314129
	(ii) Other operating expenses	53759	44692	190312	164078	195574	168262
6.	TOTAL EXPENSES (4+5) (excluding provisions & contingencies)	607812	420977	2154336	1770594	2195635	1805392
7.	Operating Profit (3-6) (Profit before Provisions & Contingencies)	250753	225101	905570	717346	925025	738182
8.	Provisions (other than tax) and contingencies	72793	62186	249198	142150	255605	143725
9.	Exceptional items	0	8145	0	15282	0	0
10.	Profit (+)/Loss (-) from ordinary activities before tax (7-8+9)	177960	171060	656372	590478	669420	594457
11.	Tax Expense (Including FBT)	57870	57557	213022	199943	217861	205418
12.	Less : Minority Interest	NA	NA	NA	NA	2191	1591
13.	Add : Share of earnings in Associates	NA	NA	NA	NA	8105	9809
14.	Net Profit (+)/Loss(-) from ordinary activities after tax (10-11-12-13)	120090	113503	443350	390535	457473	397257
15.	Extraordinary items (net of tax expense)	0	0	0	0	0.00	0
16.	Net Profit (+)/Loss(-) for the period (14-15)	120090	113503	443350	390535	457473	397257
17.	Paid up equity Share Capital (Face value Rs.10/-each)	31681	31530	31681	31530	31681	31530
18.	Reserves excluding revaluation reserves	1972099	1591562	1972099	1591562	2082193	1689546
19.	Analytical Ratios						
	(i) Share holding of Govt. of India (%)	58.00	57.80	58.00	57.80		
	(iia) Capital Adequacy Ratio (%) as per Basel-I	11.76	12.97	11.76	12.97	12.29	13.70
	(iib) Capital Adequacy Ratio (%) as per Basel-II	12.42	14.16	12.42	14.16	13.01	14.82
	(iii) Earnings per Share (EPS) not annualized in Rs.						
	(a) Basic & diluted EPS before extraordinary items	38.08	36.00	140.60	123.86	145.08	125.99
	(b) Basic & diluted EPS after extraordinary items	38.08	36.00	140.60	123.86	145.08	125.99
	(iv) NPA Ratios:						
	(a) Amount of gross non-performing assets	437939	321441	437939	321441		
	(b) Amount of net non-performing assets	203863	98169	203863	98169		
	(c) % of gross NPAs	1.79	1.71	1.79	1.71		
	(d) % of net NPAs	0.85	0.53	0.85	0.53		
	(v) Return on Assets (Annualised) %	1.34	1.58	1.34	1.44		
20.	Public Shareholding						
	(i) No. of Shares	133061200	133061200	133061200	133061200		
	(ii) Percentage of Share holding	42.00	42.20	42.00	42.20		
21.	Promoters and Promoter Group Share Holding						
a)	Pledged/Encumbered						
	--Number of shares	Nil	Nil	Nil	Nil		
	--Percentage of shares(as % of the total shareholding of promoter & promoter group)	Nil	Nil	Nil	Nil		
	--Percentage of shares(as % of the total share capital of the bank)	Nil	Nil	Nil	Nil		
b)	Non-Encumbered						
	--Number of shares	183750957	182241300	183750957	182241300		
	--Percentage of shares(as % of the total shareholding of promoter & promoter group)	100%	100%	100%	100%		
	--Percentage of shares(as % of the total share capital of the bank)	58.00%	57.80%	58.00%	57.80%		

Foot Note To The Financial Results	Rs. In lacs				
	As on 31.03.11 (Solo)	As on 31.03.10 (Solo)	As on 31.03.11 (Consolidated)	As on 31.03.10 (Consolidated)	
CAPITAL & LIABILITIES					
Capital		31681	31530	31681	31530
Reserves & surplus		2119174	1740762	2229785	1838744
Minority Interest		0	0	30129	22706
Deposits		31289873	24932980	31623193	25145766
Borrowings		3158969	1926236	3463850	2276294
Other Liabilities and Provisions		1232827	1031769	1249743	1041902
TOTAL		37832524	29663277	38628381	30356942
ASSETS					
Cash & Balances with Reserve Bank of India		2377689	1832757	2379119	1833478
Balances with Banks & Money at Call & Short Notice		591432	514599	630011	591591
Investments		9516235	7772446	9691128	7925388
Advances		24210667	18660121	24774658	19111085
Fixed Assets		310559	251347	315048	253141
Other Assets		825942	632007	838417	642259
TOTAL		37832524	29663277	38628381	30356942

SEGMENT REPORTING FOR THE QUARTER/YEAR ENDED 31ST MARCH 2011

(Rs. in lacs)

PART A: BUSINESS SEGMENTS							
S. No.	Particulars	Quarter Ended		Year Ended		Year Ended	
		Standalone		Standalone		Consolidated	
		31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
i.	Segment Revenue						
	a) Treasury	177468	144218	638209	587825	651345	590788
	b) Corporate/Wholesale Banking	436787	310201	1395672	1012234	1402132	1022244
	c) Retail Banking	231373	176652	951006	818443	986559	845225
	d) Other Banking Operations	12937	23152	75019	84720	80624	85317
	Total	858565	654223	3059906	2503222	3120660	2543574
ii.	Segment Results						
	a) Treasury	12287	29391	68096	77520	74357	77563
	b) Corporate/Wholesale Banking	166624	134344	529590	386974	535165	385751
	c) Retail Banking	88459	81936	360861	312888	367130	319662
	d) Other Banking Operations	4966	10244	28466	32400	29819	32360
	Total	272336	255915	987013	809782	1006471	815336
iii.	Unallocated Expenses	21584	22669	81444	77154	81445	77154
iv.	Operating Profit	250752	233246	905569	732628	925026	738182
v.	Provision for Tax	57871	57557	213023	199943	217861	205418
vi.	Extraordinary Items	----	----	----	----	----	----
vii.	Share of Earnings in Associates (Net)	----	----	----	----	8105	9809
viii.	Minority Interest	----	----	----	----	2191	1591
ix.	Net Profit	120090	113504	443350	390536	457473	397257
Other Information:							
x.	Segment Assets						
	a) Treasury	9707049	7945439	9707049	7945439	9925690	8208534
	b) Corporate/Wholesale Banking	18593732	13864693	18593732	13864693	18771848	14051736
	c) Retail Banking	8607689	6611931	8607689	6611931	8969263	6845169
	d) Other Banking Operations	592560	889648	592560	889648	606953	896967
	Sub Total	37501030	29311711	37501030	29311711	38273754	30002406
	e) Unallocated Assets	331494	351567	331494	351567	354627	354536
	Total Assets	37832524	29663278	37832524	29663278	38628381	30356942
xi.	Segment Liabilities						
	a) Treasury	9214872	7548285	9214872	7548285	9396516	7762269
	b) Corporate/Wholesale Banking	17650973	13171664	17650973	13171664	17892955	13386669
	c) Retail Banking	8171253	6281432	8171253	6281432	8395543	6403286
	d) Other Banking Operations	562516	845179	562516	845179	577553	847392
	Sub Total	35599614	27846560	35599614	27846560	36262567	28399616
	e) Unallocated Liabilities	82054	44426	82054	44426	104348	87052
	Total Liabilities	35681668	27890986	35681668	27890986	36366915	28486668

Note:

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 has not been required to be furnished.

NOTES

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on 04.05.2011. The same have been subject to audit by the Statutory Central Auditors of the bank, in line with the guidelines issued by the Reserve Bank of India and as per the requirement of Listing agreement with Stock Exchanges.
2. The financial results have been prepared following the same accounting policies and practices as those followed in the annual financial statement for the year ended 31st March, 2010.
3. The Financial results have been arrived at, after considering provisions for standard assets, non-performing assets, restructured advances, depreciation on investments as per Reserve Bank of India guidelines and gratuity, pension, bonus, leave encashment, tax expenses and other usual and necessary provisions on estimated basis.
4. During the year, the Bank reopened the pension option for such of its employees who had not opted for the pension scheme earlier. As a result of exercise of which by 33982 employees, the bank has incurred a liability of Rs.2757.65 crores. Further during the year, the limit of gratuity payable to the employees of the banks was also enhanced pursuant to the amendment to the Payment of Gratuity Act, 1972. As a result the gratuity liability of the Bank has increased by Rs.566.00 crores. These Liabilities are calculated on the basis of actuarial valuation.

In terms of the requirements of the Accounting Standard (AS) 15, Employee Benefits, the entire of Rs3323.65 crores .(Rs.2757.65 cr. + Rs.566.00 cr.) is required to be charged to the Profit and Loss Account. However, the RBI has issued a circular no. DBOD.BP.BC.80/21.04.018/2010-11 dated 9th February 2011, on "Re-opening of Pension Option to Employees of Public Sector Banks and Enhancement in Gratuity Limits-Prudential Regulatory Treatment". In accordance with the provisions of the said Circular, the Bank has charged off Rs.664.73 crores. representing one-fifth of Rs. 3323.65 crores to Profit & Loss Account for the year. In terms of the requirements of the aforesaid RBI circular, the balance amount carried forward, i.e. Rs 2658.92 crores.(Rs3323.65 cr- Rs. 664.73 cr.) does not include any liability relating to separated/retired employees.
5. The transitional liability as on 01.04.10 on account of other long-term employee benefits such as Leave fare concession, Accumulating compensating sick leave, Silver jubilee award etc. to the extent not charged was amounting to Rs. 87.40 crores. A sum of Rs. 43.80 crores representing one fifth of transitional liability has been charged to Profit & Loss A/c of the current financial year ended 31st March 2011. The balance-unrecognized liabilities of Rs. 43.60 crores have been carried forward and the same will be charged off in the next year.
6. During the year bank has allotted 15,09,657 equity shares of Rs. 10/- each at a premium of Rs. 1208.82 to Govt. of India, as approved by the shareholders in an Extra-Ordinary General Meeting. The total amount received by the Bank on this account is Rs.184 crores. Consequently the Government share holding has increased from 57.80% to 58.00%

7. The Board of Directors have recommended dividend of Rs.22 /- per equity share of Rs. 10 each (@ 220% of the paid up capital of the bank) for the year.
8. Figures of the previous period have been regrouped / rearranged / re-classified wherever considered necessary, to make them comparable.
9. Position of complaints from investors as on 31.03.2011:
- | | |
|--|----|
| (a)Complaints pending at the <i>beginning</i> of the current quarter | 0 |
| (b)Complaints received during the quarter | 65 |
| (c)Complaints disposed off during the quarter | 64 |
| (d)Complaints pending as on 31.03.2011 (all since redressed) | 1 |

(Rakesh Sethi)
Executive Director

(M V Tanksale)
Executive Director

(K R Kamath)
Chairman & Managing Director

Place: New Delhi
Date: 04.05.2011