punjab national bank
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Presentation on Performance for the Quarter June 2014

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Overview of Performance

Particulars		Rs. Crore		YOY Growth %
Operating Profit	:	3125	↑	5.1
Net profit	:	1405	↑	10.2
Total Business	:	792405	↑	12.9
Total Assets	:	546808	↑	13.6
Deposits	:	444920	↑	12.1
Credit	:	347485	↑	13.9

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Profit

(Rs. Crore)

Sl.	Parameters	Q1' FY 14	Q1' FY 15	Q4' FY 14	Variation (Q1' 15 over Q1'14)	
					Amt.	(%)
1	Interest Income	10405	11589	11101	1184	11.4
2	Interest Expenses	6497	7209	7100	712	11.0
3	NII (Spread) (1-2)	3908	4380	4002	472	12.1
4	Other Income	1342	1236	1397	-106	-7.9
5	Operating Expenses	2276	2491	2225	215	9.5
6	Contribution (4-5)	-934	-1254	-828	-321	34.3
7	Operating Profit (3+6)	2974	3125	3173	152	5.1
8	Provisions	1698	1720	2367	22	1.3
9	Net Profit	1275	1405	806	130	10.2

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Profit from Core Operations

(Rs. crore)

Particulars	Q1' FY 14	Q1' FY 15	Q4' FY 14	Variation (Q1' 15 over Q1'14)	
				Amt.	Gr. (%)
Net Profit Declared	1275	1405	806	130	10.2
Treasury Trading Profit	284	149	189	-134	-47.3
Depreciation	92	-381	28	-473	
Core Net Profit (Excl. Trading Profit & impact of Depreciation)	1084	874	646	-209	-19.3
Operating Profit Declared	2974	3125	3173	152	5.1
Treasury Trading Profit	284	149	189	-134	-47.3
Core Operating Profit (Excl. Trading Profit)	2690	2976	2984	286	10.6

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Provisions

(Rs. Crore)

Sl.	Particulars	Q1' FY 14	Q1' FY 15	Q4' FY 14	Variation (Q1' 15 over Q1'14)	
					Amt.	%
1	Provision towards NPAs (Net of floating provisions)	675	1336	1755	662	98.1
2	Standard Advances incl. Standard Restructured	283	-88	380	-371	-131.1
4	Depreciation on Investment	92	-381	28	-473	
5	Income Tax	632	793	228	161	25.4
6	Others	17	61	-24	44	259.4
7	Total Provision	1698	1720	2367	22	1.3

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Break-up : Income

(Rs. Crore)

Sl.	Parameters	Q1' FY 14	Q1' FY 15	Q4' FY 14	Variation (Q1' 15 over Q1'14)	
					Amt.	(%)
1	Interest on Advances	7875	8836	8249	961	12.2
2	Interest on Investments	2439	2599	2659	159	6.5
3	Other Interest Income	90	154	193	64	70.6
4	Interest Income (1+2+3)	10405	11589	11101	1184	11.4
5	Other Income	1342	1236	1397	-106	-7.9
	of which					
6	Core Non-Interest Income	911	925	850	13	1.4
7	Recovery in Written off a/cs	85	91	274	6	6.8
8	Trading Profit	284	149	189	-134	-47.3
9	Dividend from Liquid MF	63	70	72	7	11.0
10	Residual (incl Derivative inc)	-1	2	11	3	
11	Total Income (4+5)	11747	12825	12498	1079	9.2

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Fee Based Income

(Rs. Crore)

Sl.	Particulars	Q1' FY 14	Q1' FY 15	Q4' FY 14	Variation (Q1' 15 over Q1'14)	
					Amt.	(%)
1	Processing Fees	266	274	127	8	3.0
2	LC/LG Income	179	196	208	17	9.7
3	Bills & Remittance	96	119	118	24	24.7
4	Incidental Charges	30	47	53	17	55.3
5	Inc from ATM operations	81	86	85	5	6.6
6	Income from Ins & MF	14	13	26	-2	-11.0
7	Misc. Income	84	92	120	8	9.9
8	Exchange Profit	162	97	114	-65	-40.0
9	Core Non Interest Income	911	925	850	13	1.4

Break-up : Expenditure

(Rs. Crore)

Sl.	Parameters	Q1' FY 14	Q1' FY 15	Q4' FY 14	Variation (Q1' 15 over Q1'14)	
					Amt.	(%)
1	Intt. Paid on Deposits	6151	6603	6421	452	7.3
2	Intt. Paid on Borrowings	79	295	396	216	275.4
3	Others	267	311	283	44	16.5
4	Total Interest Paid (1+2+3)	6497	7209	7100	712	11.0
5	Estab. Expenses	1616	1767	1478	151	9.4
	Of Which					
5a	Employee Benefits (AS-15)	579	663	351	84	14.5
6	Other Operating Expenses	660	723	747	64	9.6
7	Operating Expenses (5+6)	2276	2491	2225	215	9.5
8	Total Expenses (4+7)	8773	9700	9325	927	10.6

Cost & Yield Ratios

(Annualized)

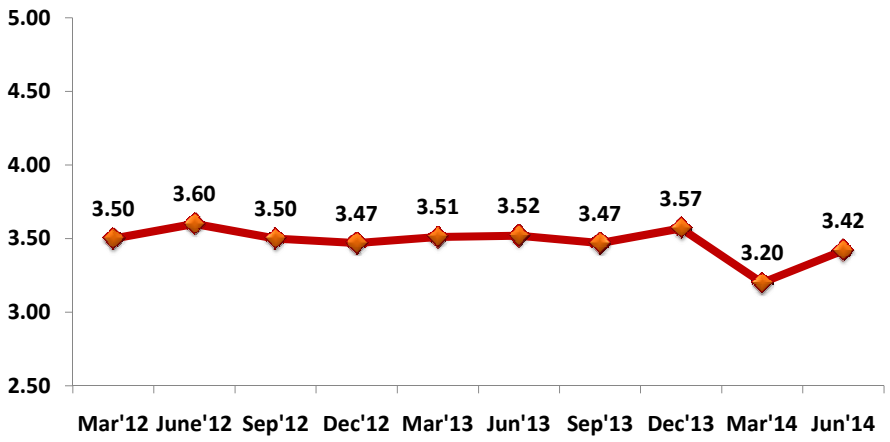
Sl.	Particulars	Q 1' FY 2014	Q 1' FY 2015	Q 4' FY 2014
1	Cost of Deposit [%]	6.42	6.11	6.14
2	Cost of Fund [%]	5.28	5.14	5.11
3	Yield on Advances [%]	10.50	10.28	9.94
4	Yield on Investment [%]	7.79	7.97	7.90
5	Yield on Fund [%]	8.46	8.26	7.99
6	Net Interest Margin [%]	3.52	3.42	3.20

Profitability Ratios

(Annualized)

Sl.	Particulars	Q 1' FY 2014	Q 1' FY 2015	Q 4' FY 2014
1	Return on Assets [%]	1.04	1.00	0.58
2	Return on Net worth [%]	15.68	15.66	9.35
3	Opt. Profit to AWF [%]	2.42	2.23	2.28
4	Cost to Income Ratio [%]	43.35	44.35	41.22
5	Estb. Exp. To Total Exp. [%]	18.42	18.22	15.85
6	Opt. Exp. To AWF [%]	1.85	1.78	1.60
7	Book Value per Share [Rs]	920.22	991.33	952.50
8	Earnings per share [Rs]	144.32	155.23	89.08

Quarterly Net Interest Margin (%)



Business

(Rs. Crore)

Sl.	Parameters	Jun'13	Mar'14	Jun'14	Variation Over Jun'13	
					Amt	(%)
1	Total Business	702007	800666	792405	90398	12.9
	Out of Which					
	Overseas Business	51732	73447	76363	24631	47.6
	Overseas Business (USD Mio)	8862	12282	12711	3850	43.4
2	Total Deposit	396828	451397	444920	48092	12.1
3	Total Advances	305179	349269	347485	42306	13.9
4	CD Ratio [%]	76.90%	77.38%	78.10%		

Deposit

(Rs. Crore)

Sl.	Parameters	Jun'13	Mar'14	Jun'14	Variation Over Jun'13	
					Amt	(%)
1	Total Deposit	396828	451397	444920	48092	12.1
2	Overseas Deposit	18422	32972	34333	15910	86.4
	Overseas Deposit (USD Mio)	3242	5500	5705	2464	76.0
3	Differential Rate Dep. Incl. CD	34954	22512	25805	-9149	-26.2
	Share of DRI Dep. to Total %	*8.81*	*4.99*	*5.80*		
4	*Inter Bank Deposit (Term)*	*12088*	*16049*	*15438*	3349	27.7
5	*Inter Bank Deposit (CA)*	*2355*	*2809*	*1818*	-538	-22.8
6	Core Deposit	349786	412836	403677	53892	15.4
	Core Dep. To Total (%)	*88.15%*	*91.46%*	*90.73%*		
7	SB Deposit	123228	141373	136586	13357	10.8
8	Current Deposit	26718	31499	27057	339	1.3
9	CASA Deposit	149947	172872	163642	13696	9.1
	Share of CASA To Dom. Dep. (%)	39.6%	41.3%	39.9%		

CASA as percentage to Core Deposit is at 40.54%

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Advances- Sectoral

(Rs. Crore)

Sl.	Parameters	Jun'13	Mar'14	Jun'14	% Share in Gr. Non-food cr.	Variation Jun'14/Jun'13	
						Amt.	(%)
1	Global Gross Advances	311611	359646	357740		46129	14.8
2	Overseas Advances	33310	40475	42031		8721	26.2
3	Domestic Gross Advances	278301	319171	315709		37408	13.4
3a	Food Credit	6933	6251	7336		403	5.8
3b	Dom. Non-Food Gross Adv.	271368	312920	308373	100.00	37005	13.6
	- of Which (Sl. No. 4 to 9)						
4	Agriculture & Allied	36989	53053	48901	15.86	11912	32.2
5	Industry	128193	142013	142018	46.05	13825	10.8
5a	*MSME Manufacturing*	34802	46499	44554	14.45	9752	28.0
5b	*Large Industry*	93391	95514	97464	31.61	4073	4.4
6	Retail Loans	31998	38864	39035	12.66	7036	22.0
6a	*Housing*	14749	17038	17698	5.74	2949	20.0
6b	*Car/Vehicle*	2906	3577	3698	1.20	792	27.2
6c	*Education*	4042	4258	4259	1.38	217	5.4
6d	*Other Retail Loans*	10301	13991	13380	4.34	3078	29.9
7	Commercial Real Estate	8475	7795	7702	2.50	-773	-9.1
8	NBFC	10034	13473	12282	3.98	2248	22.4
9	Services & Others	55679	57722	58435	18.95	2756	4.9

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Advances –Industry wise Breakup

(Rs. Crore)

Major Industry wise Deployment	Jun'13		Mar'14		Jun'14		Variation Jun'14/Jun'13	
	Amt.	Share % to NFC	Amt.	Share % to NFC	Amt.	Share % to NFC	Amt.	(%)
Food Processing	5428	2.0	9307	3.0	8716	2.8	3288	60.6
Textiles	9337	3.4	10593	3.4	10453	3.4	1116	12.0
Chemical & Chemical Products	4162	1.5	5579	1.8	6397	2.1	2235	53.7
Cement & Cement Products	2334	0.9	2571	0.8	2462	0.8	128	5.5
Basic Metal & Metal Products	21691	8.0	23325	7.5	22363	7.2	672	3.1
-Iron & Steel	17640	6.5	21028	6.7	20039	6.5	2399	13.6
Paper & paper products	1472	0.5	1554	0.5	1576	0.5	104	7.1
Petroleum	1480	0.5	1593	0.5	1461	0.5	-19	-1.3
All Engineering Products	5132	1.9	5317	1.7	5425	1.8	293	5.7
Vehicles & Vehicle parts	847	0.3	864	0.3	795	0.3	-52	-6.1
Construction	1920	0.7	2363	0.8	2551	0.8	631	32.9
Infrastructure	55288	20.4	58077	18.6	59903	19.3	4615	8.3
-Power	31400	11.6	32747	10.5	33874	10.9	2473	7.9
-Tele-Communication	6697	2.5	6349	2.0	6261	2.0	-436	-6.5
- Roads & Ports	11092	4.1	12813	4.1	12979	4.2	1887	17.0
- Others	6098	2.2	6168	2.0	6789	2.2	691	11.3
Residual	19102	7.0	20870	6.7	19916	6.4	814	4.3
Industry	128193	47.2	142013	45.4	142018	45.9	13825	10.8

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Investment

(Rs. Crore)

Sl	Particulars	Jun'13	Mar'14	Jun'14
1	Gross Investment	132872	140466	134249
2	Held To Maturity (HTM)	86525	95694	95456
3	Available For Sale (AFS)	45626	41439	38050
4	Held For trading (HFT)	721	3333	743
5	Duration (AFS)	4.89	4.55	4.49
6	Modified Duration (AFS)	4.66	4.29	4.24
7	Duration Total Portfolio	5.02	4.73	4.91
8	Modified Duration Total Portfolio	4.82	4.51	4.69
9	Net demand & time Liabilities	386632	413619	420116
10	SLR (%)	29.23	25.02	25.35
11	SLR HTM to Total SLR (%)	75.54	83.18	83.75
12	HTM To Gross Investment (%)	65.12	68.13	71.10
13	Total SLR	112259	112644	111399
14	Total Non SLR	20613	27822	22850

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Break up of Gross Credit as per Asset Class

(Rs. Crore)

	Standard Adv. (Excl. Std. Restructured)	Restructured Standard (O/S) Cumulative (As on 30/06/14)	*NPA	Gross Advances
Upto 2008-09	153759	202	2507	156468
FY 2009-10	183391	1701	3214	188306
FY 2010-11	237631	1989	4379	243999
FY 2011-12	276273	12900	8720	297893
FY 2012-13	278188	23589	13466	315243
FY 2013-14	308205	32560	18880	359646
FY 2014-15				
Jun'14 (Qtr)	304125	34012	19603	357740

**This includes restructured NPA amounting to Rs. 2439.63 cr. as on Jun'14*

01.04.2014 to 30.06.2014 (Current Qtr)

Sl.	Standard Restructured A/cs (O/s)	No.	Amt. O/s	DFV
1	Under CDR	5	556.8	48.0
2	Under SME	9	101.2	3.8
3	Others (Non-CDR)	26	794.0	42.3
	Total	40	1452.0	94.1

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Sectorwise O/S Restructured Accounts

(Rs. Crore)

01.04.2014 to 30.06.2014 (Current qtr)

Sl	Restructured Accounts	No.	Amt. O/s	Diminution in Fair Value
1	Standard Adv.	40	1452	94
2	NPA	0	0	0
	Total	40	1452	94

Cumulative

Sl.	Standard Restructured A/cs (O/s)	No.	Amt. O/s
1	Under CDR	86	14999
2	Under SME	452	1159
3	Others (Non-CDR)	186	17854
	Total	724	34012

Industry wise Restructuring (Standard)

Sl.	Sector	Mar'14	Jun'14	O/S Amt	%age Share
A	Agriculture	153	28	181	0.5
B	Housing	1	0	1	0.0
C	Real Estate	321	0	321	0.9
D	Industry	27313	1265	28578	84.0
E	Others	4772	159	4931	14.5
	Total	32560	1452	34012	100.0
	Out of the Above Major Industries/Sectors				
1	Iron & Steel	5441	78	5520	16.2
2	Infrastructure	13083	794	13877	40.8
	Out of which				
	Power	10545	521	11066	32.5
	Telecom	1176	0	1176	3.5
3	Drilling	667	0	667	2.0
4	Textiles	1491	255	1746	5.1
5	Aviation	1607	0	1607	4.7
6	Sugar	512	0	512	1.5
7	Paper/Printing	126	0	126	0.4
8	Chemical/Fertiliser/Drug	761	36	798	2.3
9	Cement	364	0	364	1.1
10	Manufacturing	42	0	42	0.1
11	Engineering	282	100	382	1.1
12	Auto parts	153	0	153	0.5
13	Hotel	667	103	770	2.3
14	Education	738	49	787	2.3
15	Finance	8	0	8	0.0

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Non-Performing Assets

(Rs. Crore)

Sl.	Parameters	Jun'13	Mar'14	Jun'14
1	NPA as at the beginning of Yr.	13466	13466	18880
2	Cash Recovery	803	2611	749
3	Upgradation	367	1429	264
4	Write Off	799	1355	1221
5	Total Reduction (2+3+4)	1969	5396	2235
6	Fresh Addition	3594	10810	2958
	-Fresh slippages	3271	9865	2655
	-Debits in existing NPA A/cs	323	945	303
7	Gross NPAs end period	15091	18880	19603
8	Eligible Deductions incl. Provisions	6031	8963	9139
9	Net NPAs	9060	9917	10464
10	Recovery in written-off debt A/Cs	85	515	91

Particulars	Jun'13	Mar'14	Jun'14
Gross NPA%	4.84%	5.25%	5.48%
Net NPA%	2.98%	2.85%	3.02%
NPA Coverage Ratio	54.67%	59.07%	60.00%

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Capital Adequacy (Basel III)

(Rs. Crore)

Sl.	Particulars	Jun'13	Mar'14	Jun'14
	Capital Fund			
1	Tier I	29829	33059	33295
	Of Which			
	Common Equity	29342	31842	32084
	Additional Tier I	487	1217	1211
2	Tier II	9049	9867	10197
3	Total (Tier I+II)	38878	42927	43492
4	Risk-weighted Assets	329855	372548	377406
5	Capital Adequacy Ratio	11.79%	11.52%	11.52%
6	Tier I	9.05%	8.87%	8.82%
	Of Which			
	Common Equity	8.90%	8.55%	8.50%
	Additional Tier I	0.15%	0.33%	0.31%
7	Tier II	2.74%	2.65%	2.70%

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Market Share & Productivity

Sl.	Parameters	Jun'13	Mar14	Jun'14
1	Deposit Market Share (%)	5.11	4.98	4.92
2	Credit Market Share (%)	4.99	4.98	4.95
3	Business Per Branch (Rs. Cr.)	115.97	126.10	122.26
4	Business Per Employee (Rs. Cr.)	11.69	12.83	12.90

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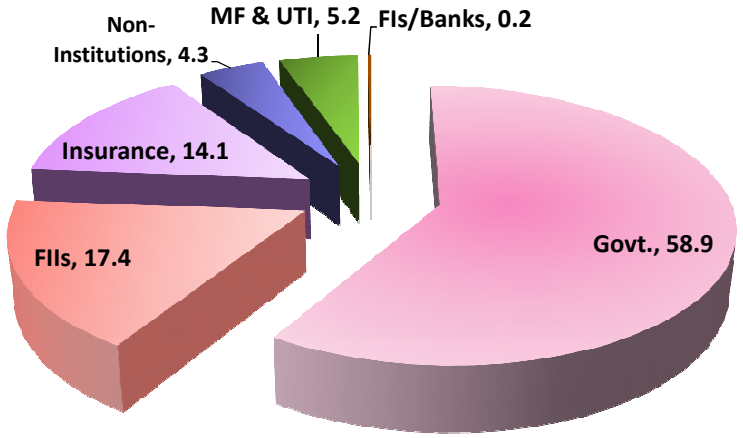
Shareholding Pattern (%) (As on 30th June'14)



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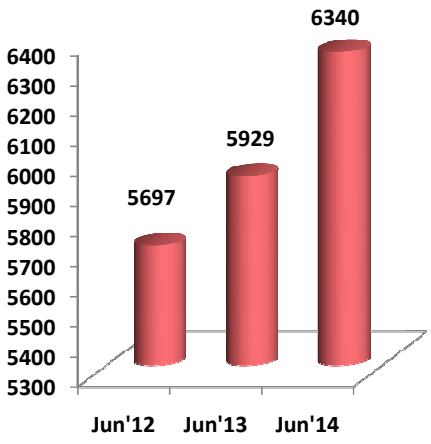
Capacity Building – Expanding Network

Total Domestic Branches



Population Group wise Branches (30th Jun'14)			
Metro	Urban	Semi-Urban	Rural
1002	1322	1526	2490
15.80	20.85	24.07	39.27

ATM Network		
Jun'12	Jun'13	Jun'14
6059	6460	7717

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Thank You

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