



FINANCIAL RESULTS

Q4 FY'18 and FY'18

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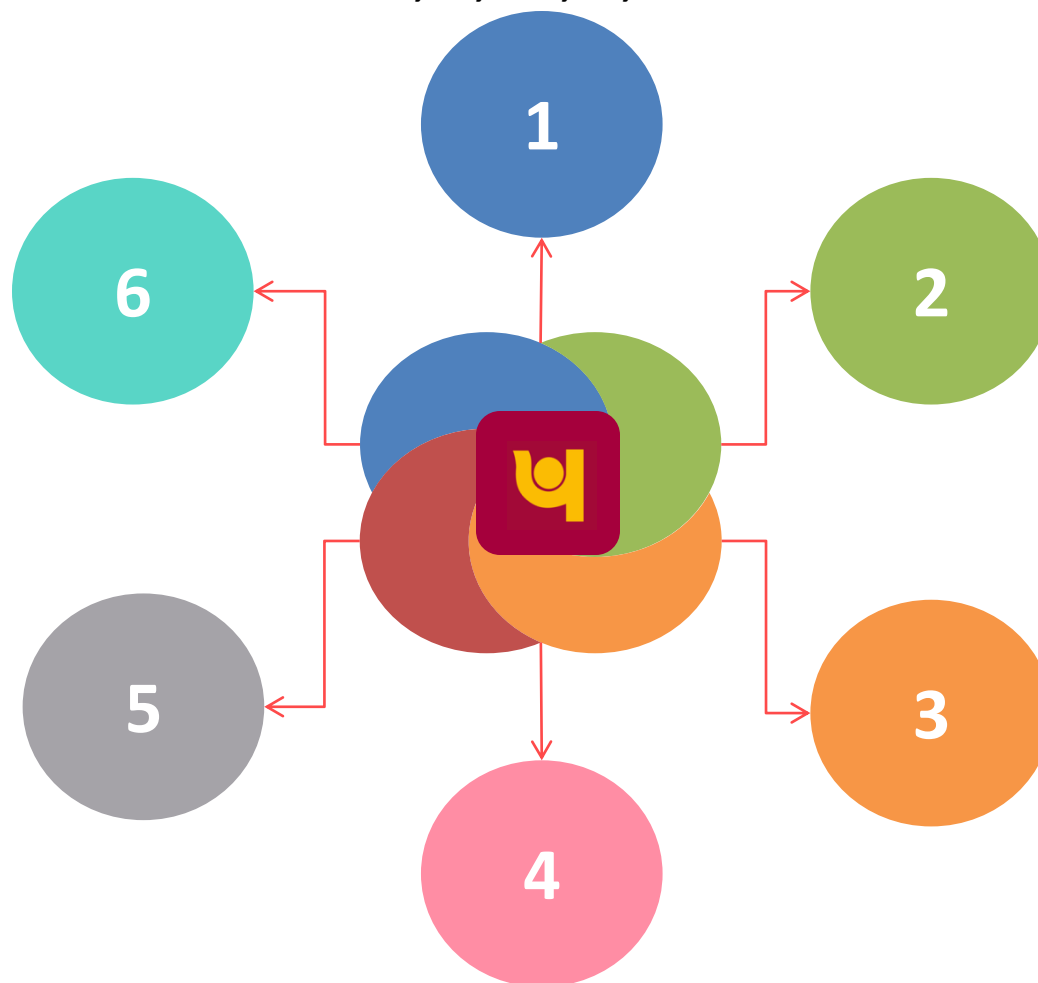
Customers' Trust Reflected in Achieving New Landmark

Gross Domestic Business

₹ 10,00,000,00,000

Key Financial Highlights

Gross Domestic Business Crossed
Rs.10,00,000,00,00000



Domestic Credit
registered growth of
9.8%

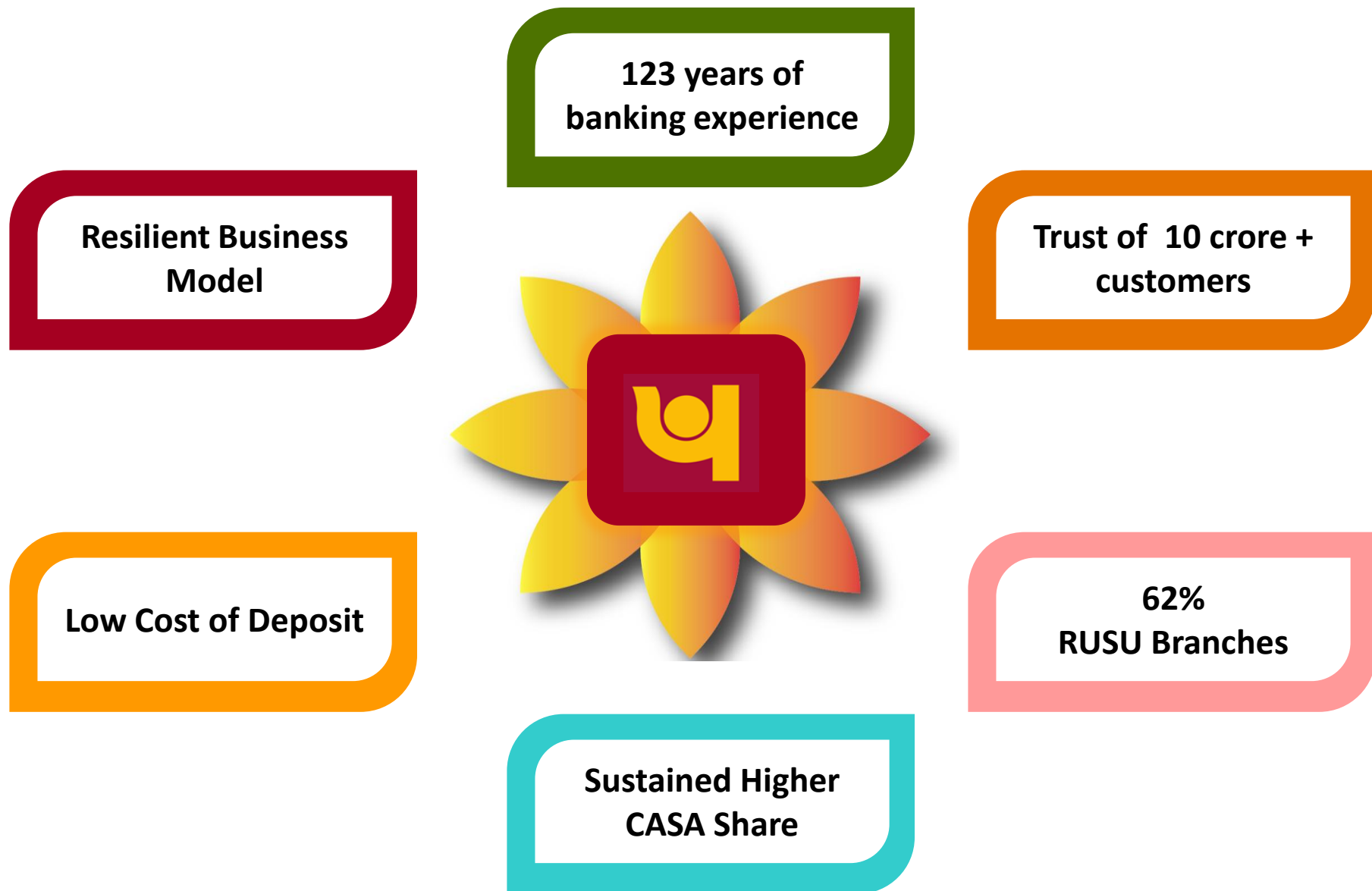
Gross Domestic
Business grown
by 7.8 %

CASA Share 43.85%

Added 1,00,00,000 plus
New Accounts in FY18

Over Rs. 8700 Crore Increase in
Saving Deposit over Mar'17

Inherent Strengths of the Bank



Emerging Economic & Banking Scenario

Economy

Banking

Fast Growing Economy

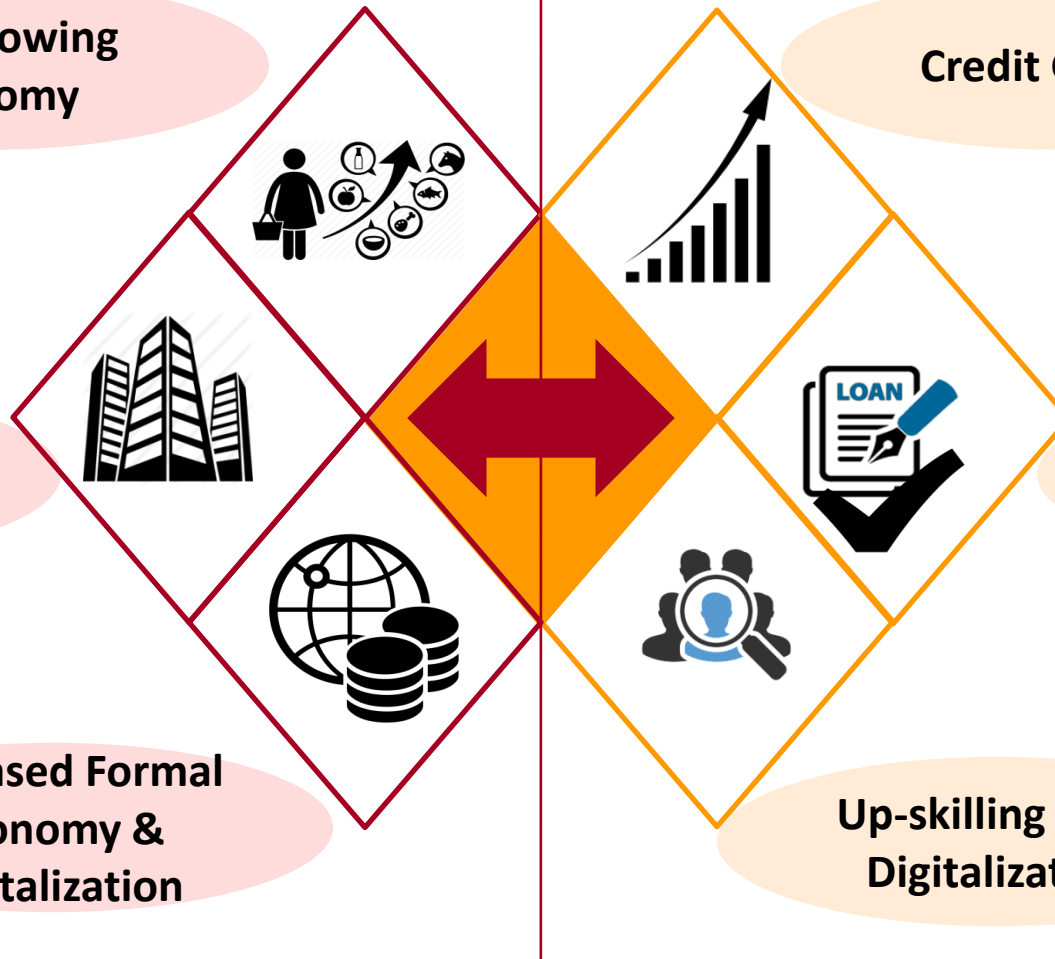
Credit Growth

Improving Infrastructure

Resolution of Large Stressed Accounts

Increased Formal Economy & Digitalization

Up-skilling HR & Digitalization



Balance Sheet - PNB Standalone

Rs. Cr.

Sl.	Parameters	Mar'16	Mar'17	Mar'18	YoY Variation	
					Amt.	%
	CAPITAL & LIABILITIES					
1	Capital	393	426	552	127	29.7
2	Reserves and Surplus	37917	41672	40522	-1150	-2.8
3	Deposits	553051	621704	642226	20522	3.3
4	Borrowings	59755	40763	60851	20087	49.3
5	Other Liabilities and Provisions	16274	15766	21679	5913	37.5
	Total	667390	720331	765830	45500	6.3
	ASSETS					
1	Cash and Balances with RBI	26479	25210	28789	3579	14.2
2	Balances with Banks	49144	63122	66673	3551	5.6
3	Investments	157846	186725	200306	13581	7.3
4	Loans & Advances	412326	419493	433735	14242	3.4
5	Fixed Assets	5223	6273	6349	76	1.2
6	Other Assets	16373	19507	29978	10471	53.7
	Total	667390	720331	765830	45500	6.3

Content

- 1 **Business**
- 2 **Profitability**
- 3 **Treasury Operations**
- 4 **Asset Quality**
- 5 **Capital & Share Holding**
- 6 **Digitalization**
- 7 **Way Forward**

Business Performance (Terminal Level)

Rs. Cr.

Sl.	Parameters	Mar'16	Mar'17	Mar'18	YoY Variation	
					Amt.	%
1	Gross Global Business	985826	1063455	1113523	50067	4.7
	Gross Domestic Business	873704	957323	1030681	73358	7.7
	Overseas Business (In Rs. Cr.)	112123	106132	82842	-23290	-21.9
	Overseas Business (In USD Mio)	17010	16552	12711	-3841	-23.2
2	Global Deposit	553051	621704	642226	20522	3.3
	Global Gross Advances	432775	441751	471297	29545	6.7
3	Global Net Advances	412326	419493	433735	14242	3.4
4	CD Ratio [%]	74.55	67.47	67.54		
5	CASA Deposits	205583	260016	263247	3231	1.2
6	Saving Deposits	169426	214163	222873	8710	4.1
7	CASA Share (%)	41.63	45.97	43.85		

Business Performance (Daily Average Basis)

Rs. Cr.

Sl.	Parameters	FY'16	FY'17	FY'18	YoY Variation	
					Amt.	%
1	Global Business	876676	938457	1016359	77902	8.3
	Domestic Business	772672	831673	918419	86745	10.4
	Overseas Business	104004	106784	97941	-8843	-8.3
2	Global Deposit	509869	561543	613929	52386	9.3
	Global Gross Advances	378477	397341	425063	27722	7.0
3	Global Net Advances	366807	376914	402430	25516	6.8
4	CASA Deposits	173032	211211	241559	30348	14.4
	Current Deposit	21734	25406	28953	3548	14.0
	Saving Deposits	151298	185805	212606	26801	14.4

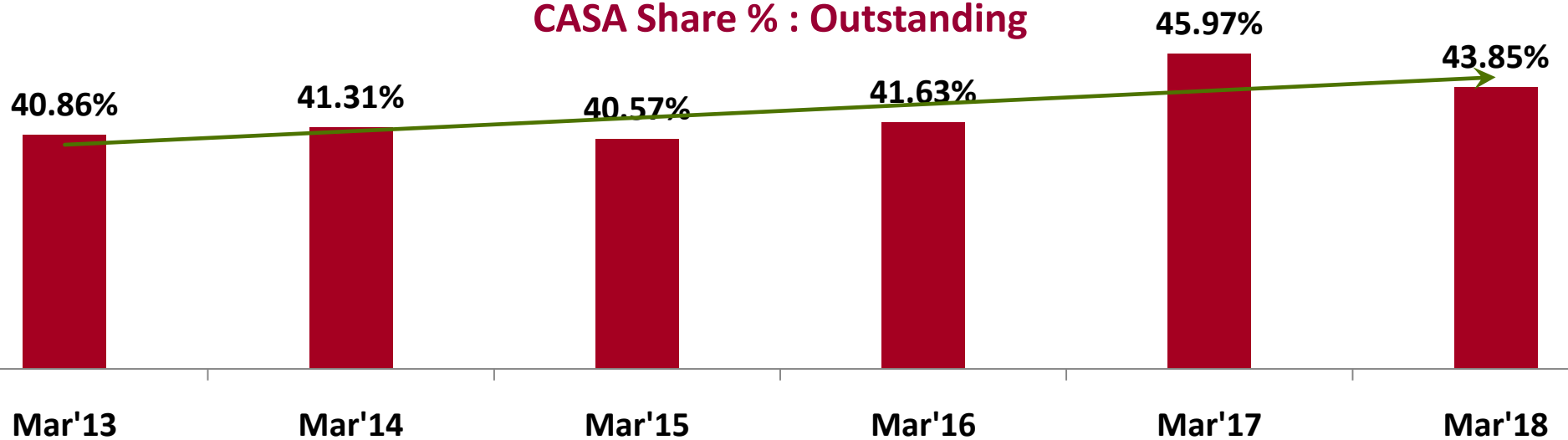
Business Performance - Deposits

Rs. Cr.

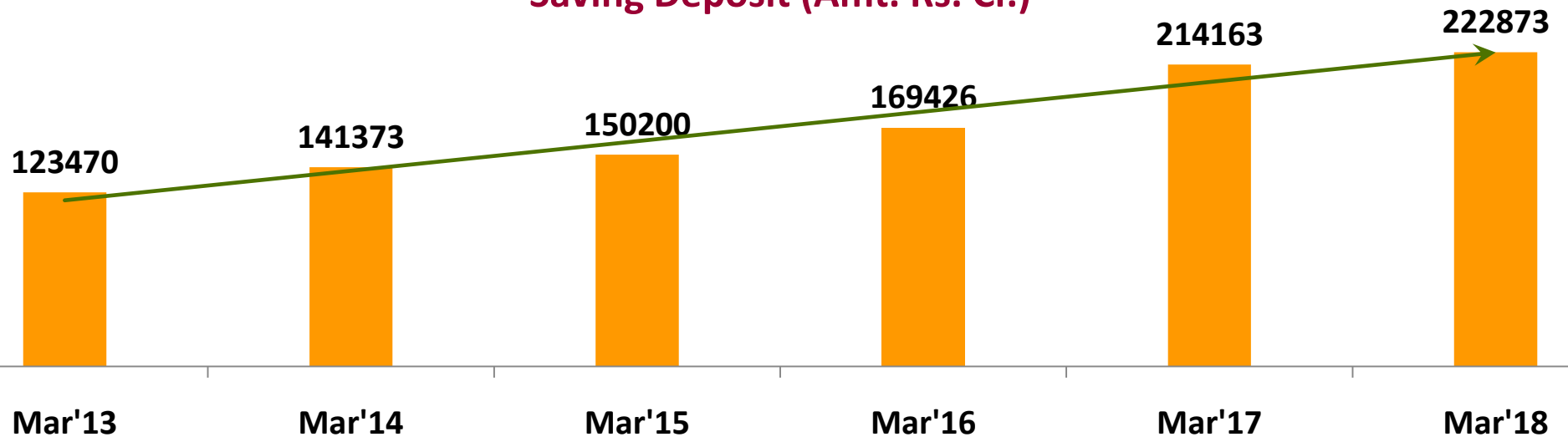
Sl.	Parameters	Mar'16	Mar'17	Mar'18	YoY Variation	
					Amt.	%
1	Global Deposit	553051	621704	642226	20522	3.3
2	Domestic Deposit	493855	565573	600387	34814	6.2
3	Overseas Deposit	59196	56131	41839	-14292	-25.5
4	CASA Deposit	205583	260016	263247	3231	1.2
5	Current Deposit	36157	45853	40374	-5479	-11.9
6	SB Deposit	169426	214163	222873	8711	4.1
	Share of CASA To Dom. Dep. (%)	41.63	45.97	43.85		

Sustained CASA

CASA Share % : Outstanding

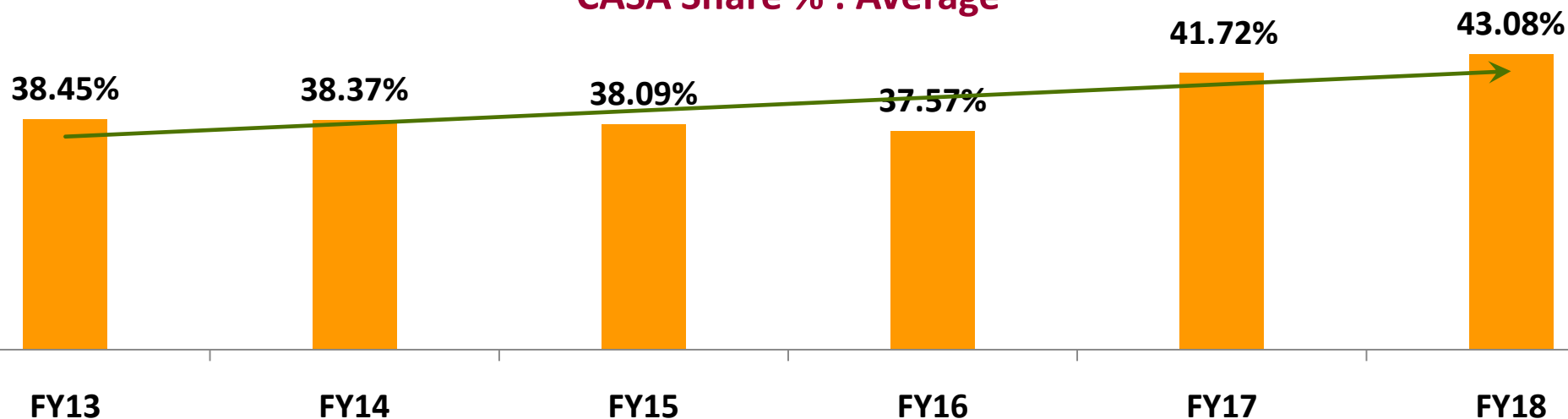


Saving Deposit (Amt. Rs. Cr.)

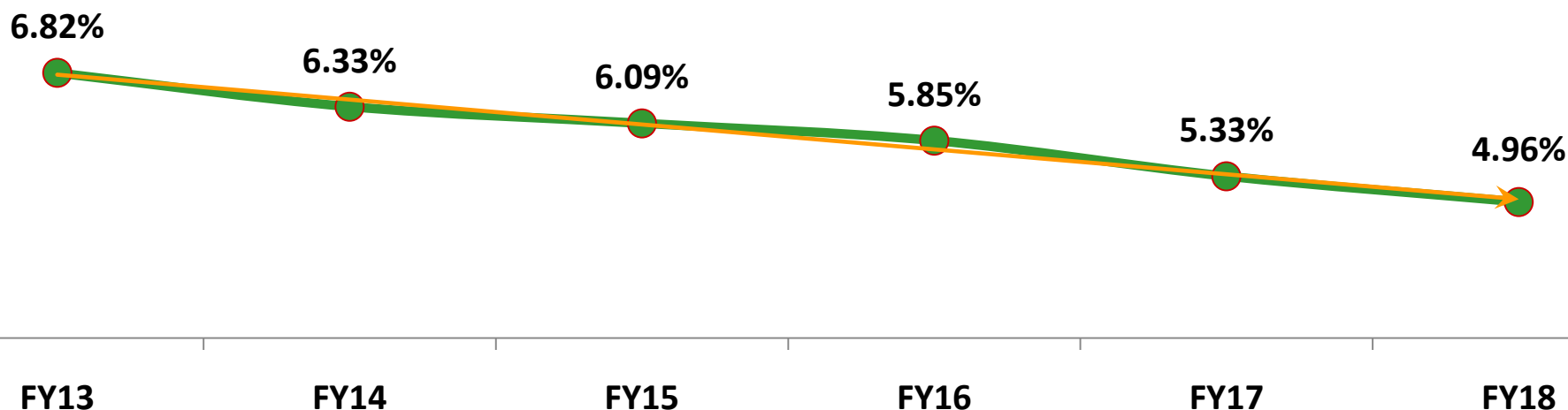


Sustained CASA and Low Cost of Deposit

CASA Share % : Average



Cost of Deposit %



Credit

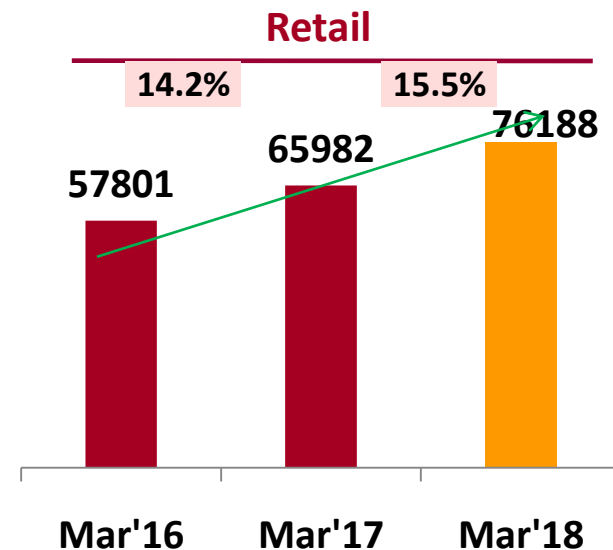
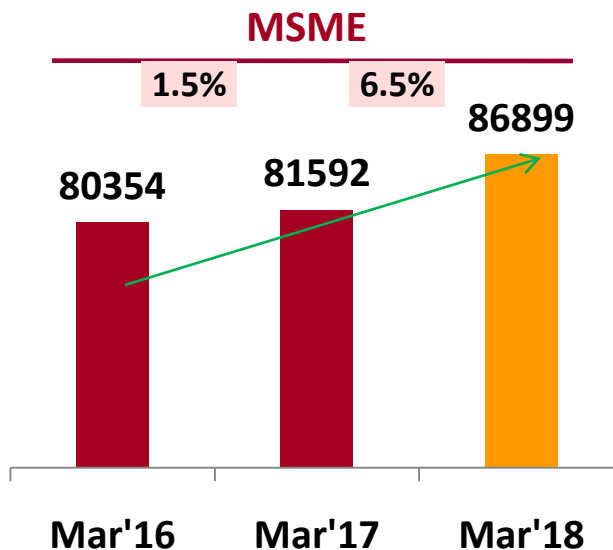
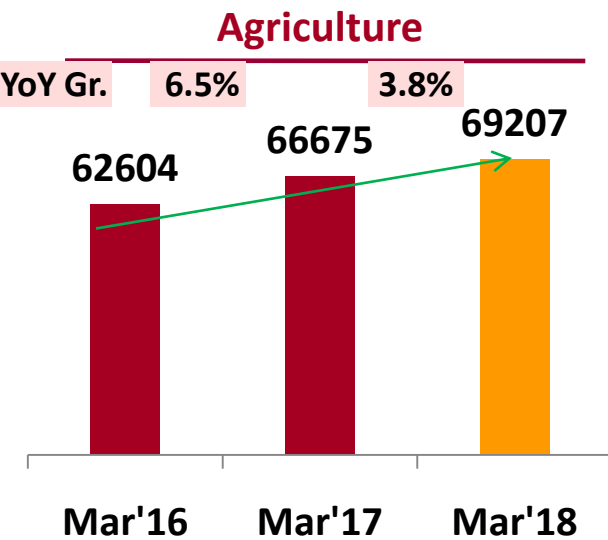
Rs. Cr.

Sl.	Parameters	Mar'16	Mar'17	Mar'18	YoY Variation	
					Amt.	%
1	Global Gross Advances	432775	441751	471297	29545	6.7
2	Overseas Advances	52926	50001	41003	-8998	-18.0
3	Domestic Advances	379849	391750	430294	38544	9.8
3a	Large Industry	123180	129267	134625	5358	4.1
3b	Agriculture & Allied	62604	66675	69207	2532	3.8
3c	MSME	80354	81592	86899	5307	6.5
3d	Retail Loans	57801	65982	76188	10206	15.5

Share of Small Ticket Advances is 54.0% as on Mar'18

Small Ticket Advances – Classification

Rs. Cr.



Composition of Retail Advances				
Components	Mar'17	Mar'18	% Share	YoY %
Housing	35553	41458	54.4	16.6
Car/Vehicle	5513	5997	7.9	8.8
Education	4968	5601	7.4	12.7
Others	19948	23132	30.3	16
Total Retail	65982	76188	100	15.5

Performance under National Goals			
Parameter	National Goals	Mar'18	
		Ach.	O/S
Priority Sector			
Priority Sector*	40%	40.9%	169772
Total Agriculture Adv.*	18%	18.5%	69207
Small & Marginal Farmers*	8%	8.9%	34442
Other National Goals			
Micro Enterprises a/cs #	10%	12.8%	832835
Credit to Micro Entrp.*	7.5%	7.6%	34475

* (%age of ANBC) # YoY growth

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Income

Rs. Cr.

Sl.	Parameters	Q4' FY 17	Q3' FY 18	Q4' FY 18	YoY Gr. %	FY'17	FY'18	YoY Gr. %
1	Interest Income (2+3+4)	11887	12175	11385	-4.2	47276	47996	1.5
2	Interest on Advances	7719	8219	7411	-4.0	32959	31833	-3.4
3	Interest on Investments	3511	3546	3470	-1.2	12577	13947	10.9
4	Other Interest Income	657	410	504	-23.4	1740	2216	27.3
5	Other Income (6+7+8+9)	3103	3082	1561	-49.7	8951	8881	-0.8
	of which							
6	Fee Based Income	1112	1066	1167	5.0	4089	4497	10.0
7	Recovery in Written off a/cs	1077	469	159	-85.2	2133	981	-54.0
8	Trading Profit	921	1537	216	-76.5	2654	3257	22.7
9	Others	-7	10	21		75	149	98.2
10	Total Income (1+5)	14989	15257	12946	-13.6	56227	56877	1.2

Fee Based Income

Rs. Cr.

Sl.	Parameters	Q4' FY 17	Q3' FY 18	Q4' FY 18	YoY Gr. %	FY'17	FY'18	YoY Gr. %
1	Processing Fees	178	99	91	-48.9	774	699	-9.7
2	LC/LG Income	223	192	173	-22.4	756	780	3.2
3	Bills & Remittance	100	105	102	2.4	430	417	-2.9
4	Incidental Charges	69	88	75	8.1	259	287	10.5
5	Income from Ins & MF	52	50	59	12.3	142	186	31.1
6	Govt. Business	76	17	45	-40.8	147	113	-23.1
7	Misc Fee Income	267	311	360	35.2	997	1208	21.2
8	Exchange Profit	146	204	261	78.7	583	806	38.3
	Fee Based Income	1112	1066	1167	5.0	4089	4497	10.0

Expenditure

Sl.	Parameters	Q4' FY 17	Q3' FY 18	Q4' FY 18	YoY Gr. %	FY'17	FY'18	YoY Gr. %
1	Total Interest Paid (2+3+4)	8203	8187	8321	1.4	32283	33073	2.4
2	Intt. Paid on Deposits	7659	7623	7572	-1.1	29934	30456	1.7
3	Intt. Paid on Borrowings	52	48	253	384.4	242	553	129.0
4	Others	492	516	497	0.9	2108	2065	-2.0
5	Operating Expenses (6+9)	555	2826	5072	814.6	9379	13509	44.0
6	Estab. Expenses	-548	1742	3900	-	5421	9169	69.1
	Of Which							
7	Employee Benefits (AS-15)	-1902	239	2326	-	311	3512	-
8	Other Operating Expenses	1103	1084	1172	6.3	3959	4340	9.6
	Total Expenses (1+5)	8758	11012	13393	52.9	41662	46582	11.8

Profit

Rs. Cr.

Sl.	Parameters	Q4' FY 17	Q3' FY 18	Q4' FY 18	YoY Gr. %	FY'17	FY'18	YoY Gr. %
1	Interest Income	11887	12175	11385	-4.2	47276	47996	1.5
2	Interest Expenses	8203	8187	8321	1.4	32283	33073	2.4
3	NII (Spread) (1-2)	3684	3989	3063	-16.8	14993	14922	-0.5
4	Other Income	3103	3082	1561	-49.7	8951	8881	-0.8
5	Operating Income (3+4)	6786	7071	4624	-31.9	23945	23803	-0.6
6	Operating Expenses	555	2826	5072	814.6	9379	13509	44.0
7	Burden (6-4)	-2548	-256	3511	-237.8	428	4628	981.3
8	Operating Profit (3-7)	6232	4245	-447	-	14565	10294	-29.3
9	Provisions	5970	4015	12970	117.2	13240	22577	70.5
10	Net Profit	262	230	-13417	-	1325	-12283	-

Provisions

Rs. Cr.

Sl.	Parameters	Q4' FY 17	Q3' FY 18	Q4' FY 18	YoY Gr. %	FY'17	FY'18	YoY Gr. %
1	Provision towards NPAs	4910	2996	16203	230.0	12704	24453	92.5
2	Standard Advances incl. Standard Restructured	79	159	-1793	-2377.7	-1203	-2197	82.6
3	Depreciation on Investment	208	1075	626	201.5	487	2027	316.6
4	Income Tax	217	-452	-7384	-3506.6	687	-7292	-1161.9
5	Others	556	235	5318	855.8	567	5587	886.1
6	Total Provision	5970	4015	12970	117.2	13240	22577	70.5

Cost & Yield Ratios

Annualized %

Sl.	Parameters	Q4' FY 17	Q3' FY 18	Q4' FY 18		FY'17	FY'18
1	Cost of Deposit	5.19	4.90	4.84		5.33	4.96
2	Cost of Fund	4.46	4.26	4.17		4.60	4.31
3	Yield on Advances	7.76	7.68	6.52		8.29	7.49
4	Yield on Investment	7.42	7.27	7.27		7.69	7.35
5	Yield on Fund	6.46	6.33	5.70		6.74	6.26
6	Domestic Net Interest Margin	2.51	2.58	1.90		2.69	2.42

Profitability Ratios

Annualized %

Sl.	Parameters	Q4' FY 17	Q3' FY 18	Q4' FY 18		FY'17	FY'18
1	Return on Assets	0.14	0.12	Negative		0.19	Negative
2	Return on Net worth	2.73	2.03	Negative		3.49	Negative
3	Opt. Profit to AWF	3.39	2.21	-0.22		2.08	1.34
4	Cost to Income Ratio	43.03*	39.96	61.50*		41.57*	43.81*
5	Opt. Exp. To AWF	0.30	1.47	2.54		1.34	1.76
6	Book Value per Share [Rs]	178.20	186.73	135.44		178.20	135.44
7	Earnings per share [Rs]	4.92	4.21	Negative		6.45	Negative

* Excluding 'Recovery in Written-off accounts' and 'provisions made under AS-15'.

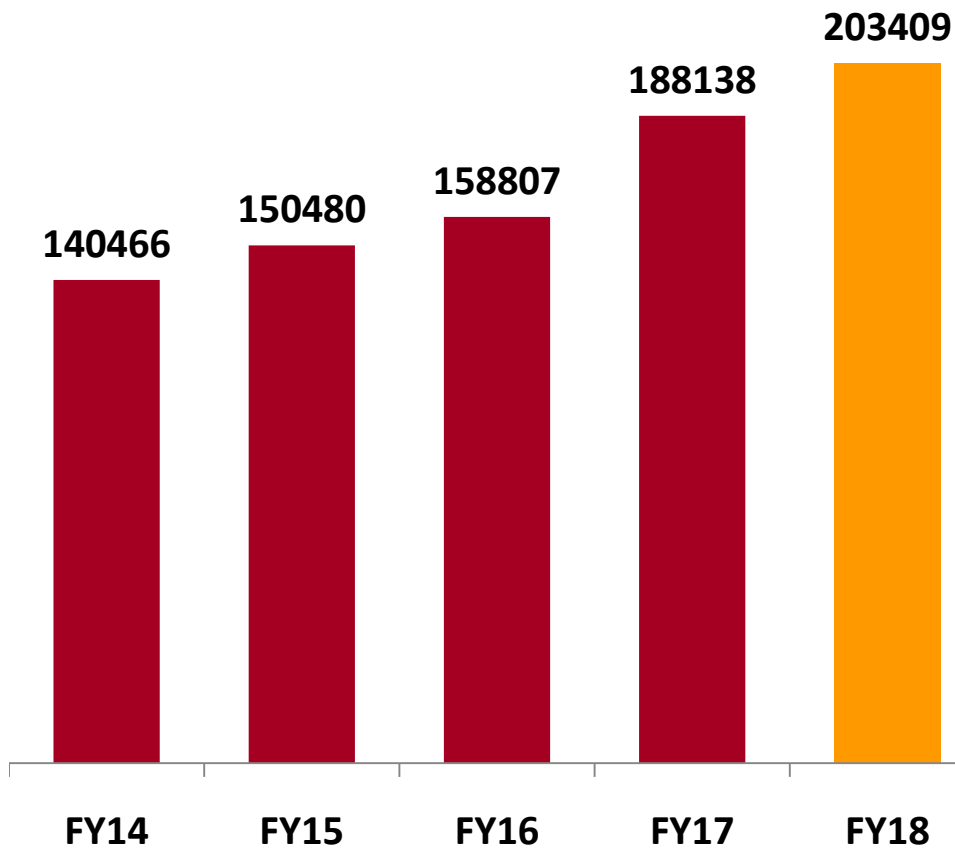
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Treasury Performance

Rs. Cr.

Investment Portfolio



Sl.	Parameters	Mar'16	Mar'17	Mar'18
1	Domestic Investment	154727	183297	197328
	SLR	119364	144417	145271
	Non SLR	35363	38880	52057
	Held To Maturity	100410	116117	119439
	Available For Sale	53909	65606	77839
	Held For trading	408	1574	50
2	Investment by Overseas Branches	4080	4841	6081
3	Global Investment	158807	188138	203409

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Asset Quality

Rs. Cr.

Sl.	Parameters	Mar'16	Mar'17	Mar'18
1	NPA as at the beginning of Yr.	25695	55818	55370
2	-Cash Recovery	4262	10677	4443
3	-Upgradation	1382	2981	1174
4	-Write Off	6485	9205	7407
5	Total Reduction (2+3+4)	12128	22863	13025
6	Fresh Addition	42252	22415	44274
	-Fresh slippages	41060	20252	40672@
	-Debits in existing NPA A/cs	1192	2163	3602
7	Gross NPAs end period	55818	55370	86620
8	Eligible Deductions incl. Provisions	20396	22668	37936
9	Net NPAs	35423	32702	48684
10	Recovery in written-off debt A/Cs	1421	2133	981
Sl.	Particulars	Mar'16	Mar'17	Mar'18
11	Gross NPA (%)	12.90	12.53	18.38
12	Net NPA (%)	8.61	7.81	11.24
13	Provision Coverage Ratio (%)	51.06	58.57	58.42

@ Includes slippages on account of

1. fraud at BO Brady House : Rs. 7579 Crore.

2. New guidelines for Resolutions of stressed assets : Rs. 10237 Crore

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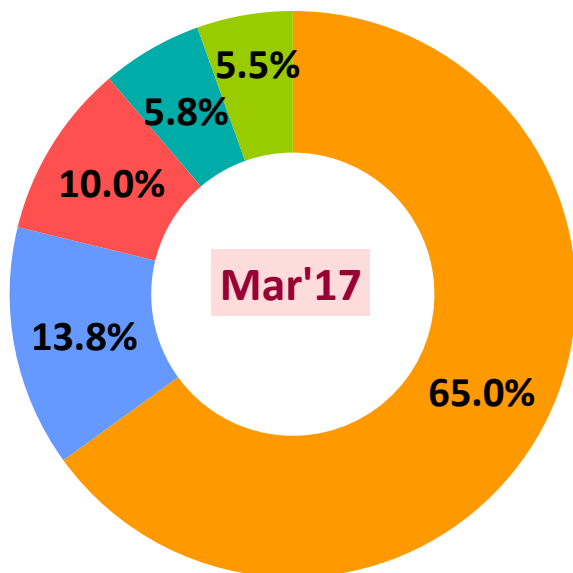
Capital Adequacy (Basel III)

Rs. Cr.

Sl.	Parameters	Mar'16	Mar'17	Mar'18
1	Tier I	35718	40575	32267
	Common Equity	33435	35845	26971
	Additional Tier I	2283	4730	5296
2	Tier II	12203	12534	9413
3	Total (Tier I+II)	47921	53109	41680
4	Risk-weighted Assets	424868	455608	453070
1	Tier I	8.41%	8.91%	7.12%
	Common Equity	7.87%	7.87%	5.95%
	Additional Tier I	0.54%	1.04%	1.17%
2	Tier II	2.87%	2.75%	2.08%
3	Total (Tier I+II)	11.28%	11.66%	9.20%

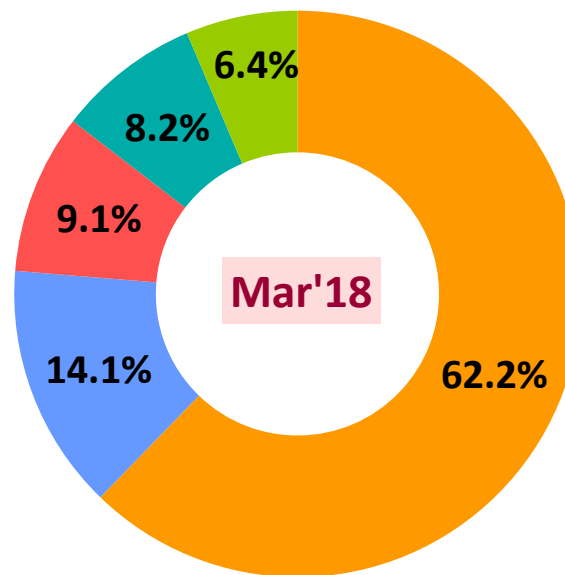
Share holding Pattern

Total Paid-up Capital:
Rs. 426 Crore



■ Gol
■ FIIs
■ NON-INSTITUTIONs

Total Paid-up Capital:
Rs. 552 Crore



■ FIIs/BANKs/INSURANCE
■ MF

Raised Rs. 5000 Crore Capital through QIP in Dec'17
 Gol infused Rs. 5473 Crore in Mar'18

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PNB Basket of Mobile Apps

pnb MobiEase



pnb Rewards



pnb Fin Literacy



pnb Yuva



pnb ATM Assist



pnb We Care



Mosambee pnb



pnb mBanking



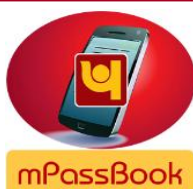
pnb Genie



BHIM pnb



pnb mPassbook



pnb Aadhar Pay



pnb Kitty



Digital Footprints



**BHIM Users:
9.5 Lac +**



**Debit card users:
6.6 crore**



**ATM
Total 9668 ATMs**



**Digital Marketing
through Social
Media**



**Internet Banking
users: 1.3 crore +**



**Mobile Banking
Users : 1.1 cr. +**



**BHIM PNB users:
8.5 Lac +**

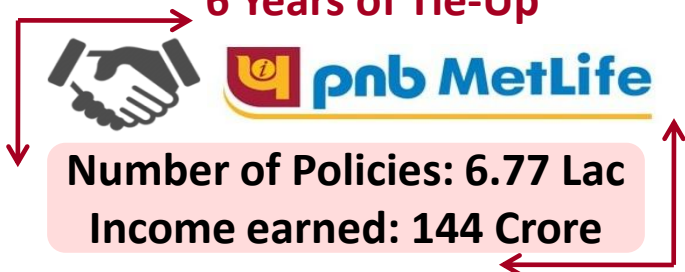


**PNB E-RUPAYA
Solution in Villages**

Accelerated Bancassurance

Performance as on Mar'18

6 Years of Tie-Up



9 Years of Tie-Up



Fresh Tie-Ups during the Year

1



2



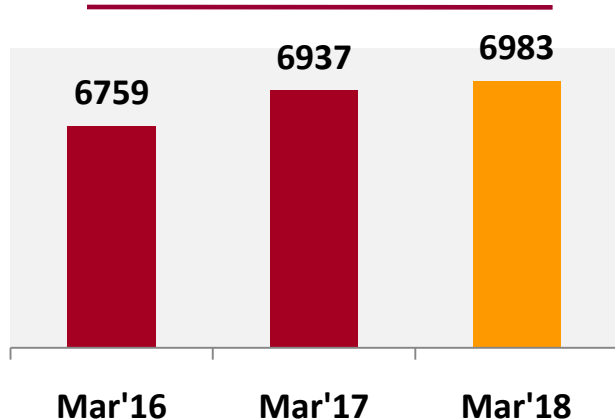
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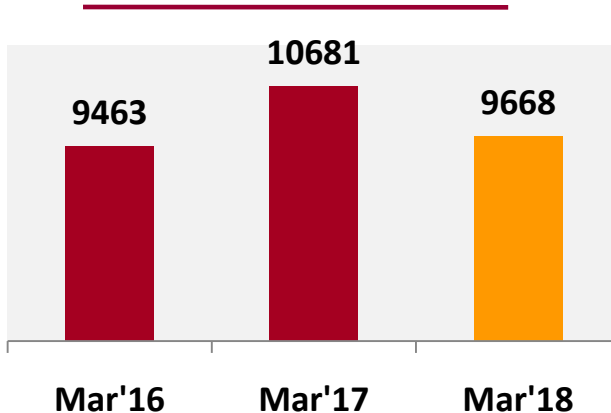
Number of Policies: 13833
Income earned: 7.8 Crore

Branch & ATM Network -pan India Presence

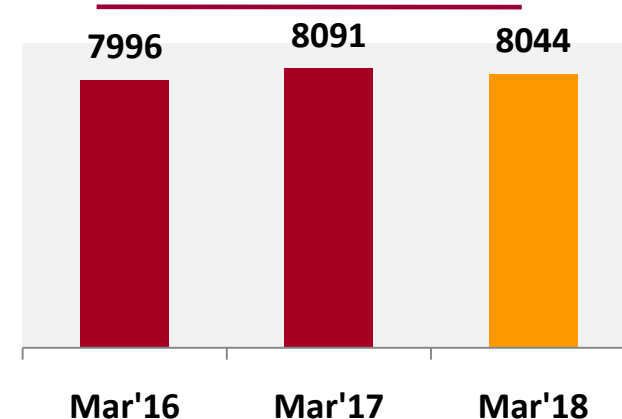
Branches*



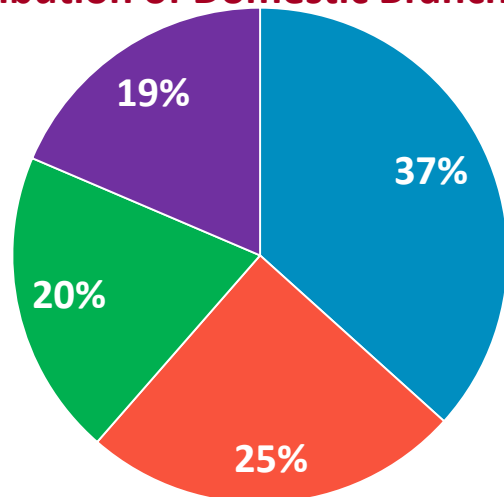
ATMs



BCs



Distribution of Domestic Branches Mar'18



■ Rural ■ Semi-Urban ■ Urban ■ Metro

Overseas Presence

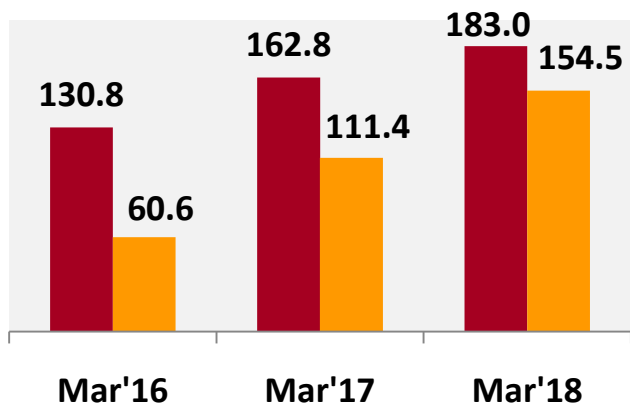
Type of Office	Destination
Branches (4)	Hong Kong (2) , Dubai, Mumbai.
Subsidiary (2)	PNBIL, UK (7 branches), DRUK PNB Ltd., Bhutan (7 Branches)
Joint Venture (1)	Everest Bank Limited, Kathmandu, Nepal (80 Branches), One Associate at JSC Tengri Bank, Kazakhstan (7 Branches)
Representative Office (3)	Shanghai(China), Dubai (UAE), Dhaka (Bangladesh)

Financial Inclusion

No. in Lac

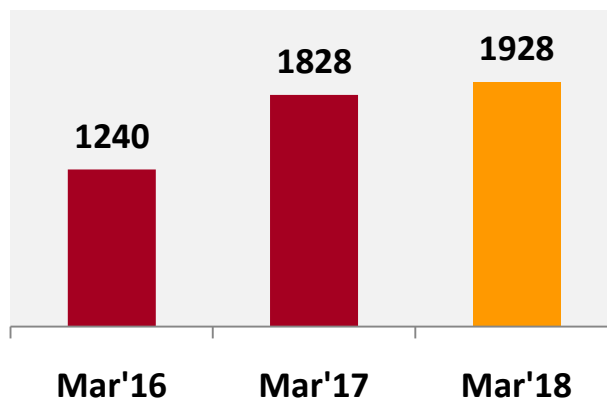
PMJDY Accounts

■ PMJDY Accounts ■ Aadhar Seeding



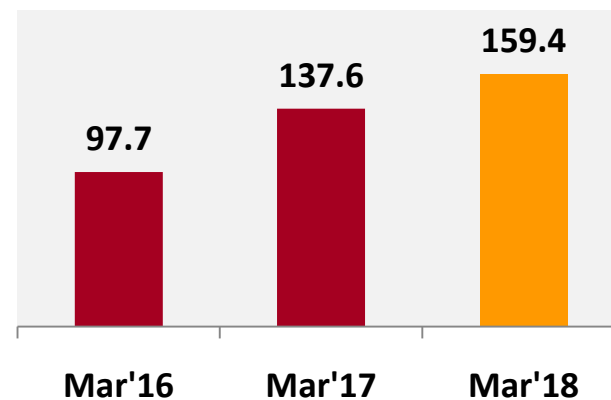
PMJDY Avg. Balance

Amt. in Rs.



RuPay Cards Issued

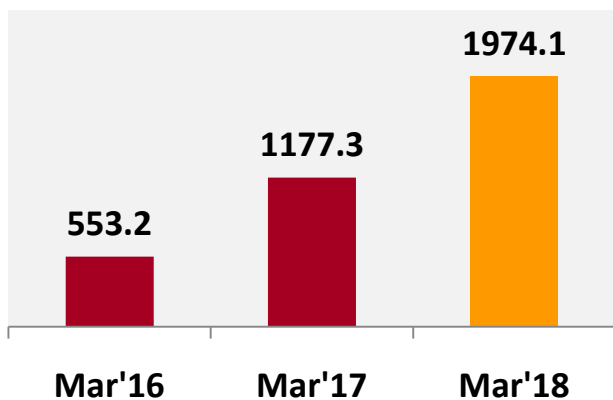
No. in Lac



Aadhaar Based, direct benefit payments through NPCI

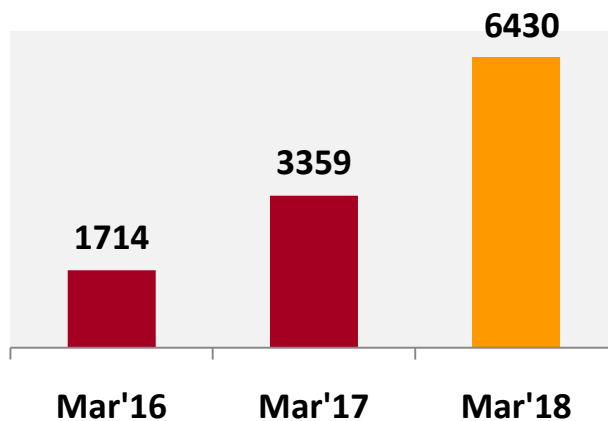
DBT TxS

No. in Lac



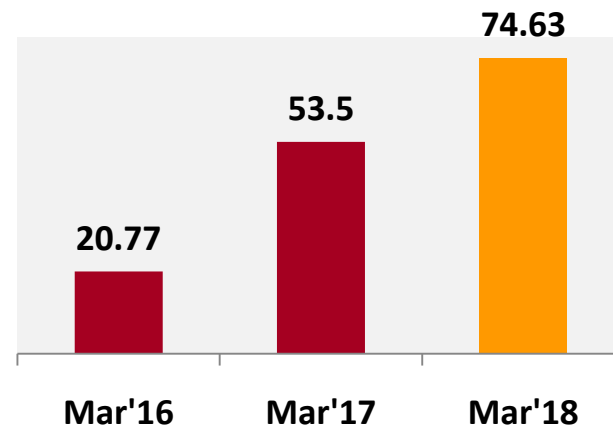
DBT Amount

Amt. in Rs.



A/c's opened thru eKYC

No. in Lac



People Development



Expeditious completion of Promotion Process

In order to provide adequate manpower in each role, plan for successions and to boost morale of employees, more than 3500 Officers has been approved/ empanelled for promotion in the current promotion process.



Fast Track Promotion

The entire promotion process from Scale I upto Scale VII has been concluded on Mar'18 in one go and also ensuring continuity at Zonal and Circle Business Head level for the entire year.



Connecting to Gen-Next Segment

Reverse Mentoring concept has been implemented for Select General Managers to enable a Senior Executive to interact with a young employee on topics such as technology, social media, new generation mindsets & expectations and current trends. At present 5448 employees are being mentored by 3160 mentors under this program.



Nurturing Internal Talent & Training

To promote in-house talent, internal selection process are being done in various verticals such as Risk Management, Treasury, Data Analytics, SMEAD, Forex, Credit etc.

Awards for Excellence



National Award in SHG-Bank Linkage for 2017 under Large Category Bank by Ministry of Rural Development, **Gol.**



Best Public Sector Bank-Govt. Scheme participation (PMMY) for the Dun & Bradstreet Banking Awards 2017.



Best MSME Bank Award under Large Banks Category by Chamber of Indian MSME.



IT Innovation & Excellence Award 2017 for Best Bank in terms of Information Security Implementation by Computer Society of India, Mumbai Chapter.

CSR & Corporate Business Strategy

CSR is at the core of PNB's Corporate Business Strategy and the Bank makes following commitments to integrate the two concepts:



Sustainability

Corporate Volunteering

Social Investments

Health & Sanitation

Green Initiatives



Content

- 1 Business
- 2 Profitability
- 3 Treasury Operations
- 4 Asset Quality
- 5 Capital & Share Holding
- 6 Digitalization
- 7 Way Forward

PNB's Core Strength Intact

Managing recent financial development and FIN 10 migration , Our

- ❖ **Customer base continues to grow stronger building on the legacy of trust.**
- ❖ **Gross Domestic business registers healthy growth rate of 7.7% YoY crossing 10 Lac Crore.**
- ❖ **Strong CASA base continues to hover around 44% to drive Bank's bottom-line.**
- ❖ **Focus on RUSU model for improving asset quality indicating paradigm shift in business model towards encompassing holistic credit needs of rural areas including Rural Retail.**
- ❖ **Wealth Management Products – New boosters to improve fee based income.**
- ❖ **Risk Management and Audit Procedure being strengthened**

Driving Business

1

Leveraging Digital Products to Retain and Accelerate CASA

2

Increasing Fee Based Income

6

Improving Recovery & Resolution of Stressed Assets

5

Speedy Credit Decisions under new Credit Dispensation Model

3

Improved Productivity and Profitability of Ru-Su Branches

4

Increase in retail and MSME portfolio

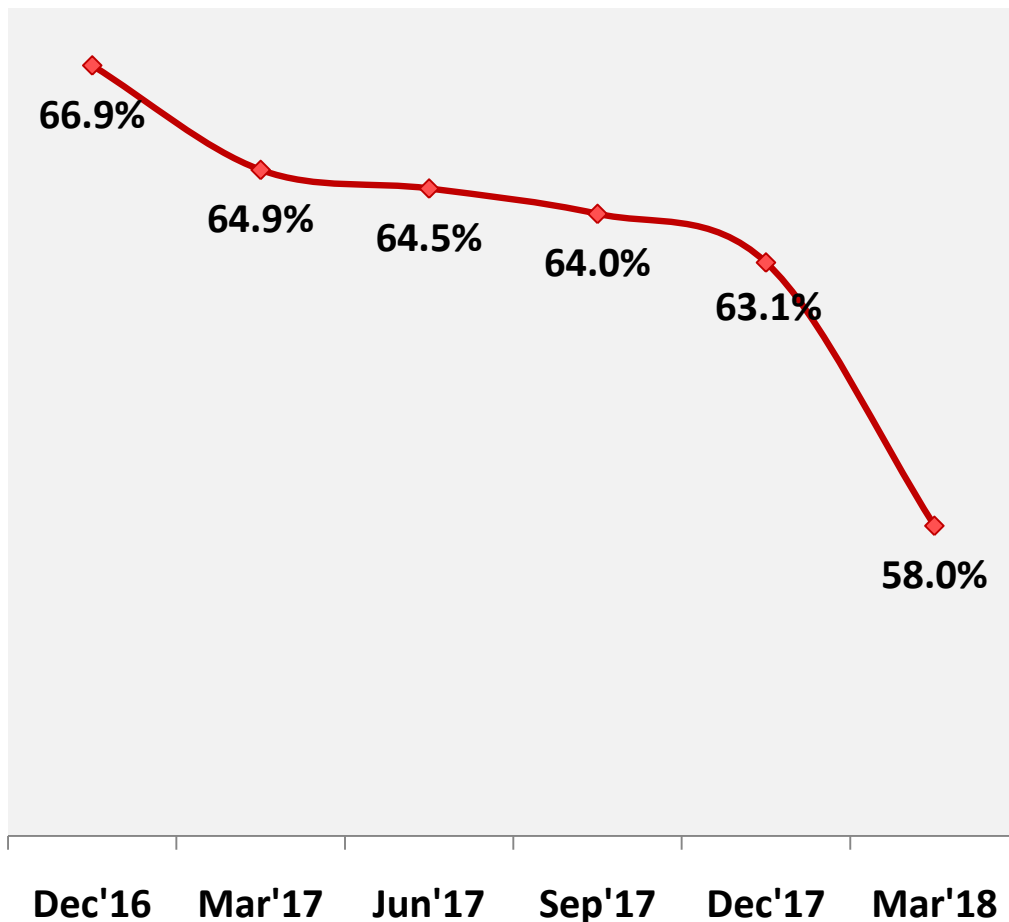


Strengthening Procedures and Controls

- **SWIFT integrated with CBS.** Additional layer of authorization introduced in SWIFT transactions. SWIFT integration with 4 layer verification including reauthorization of all outward transactions at SWIFT centre. After verification, branch level reconciliation for SWIFT messages with CBS transactions.
- **Segregated loan appraisal and monitoring system:** Different verticals for sourcing and initial due diligence of loans, processing, monitoring and recovery for reducing people risk, operational risk and credit risk
- **Centralized Back Office for Trade Finance(CBOTF):** Each forex transaction being processed by team after due checks on veracity and compliance. Other than New Delhi, opening of second centre at Chennai is being worked upon
- **Technology based offsite audit system** for Monitoring alerts generated in CBS.
- **Creating Stressed Asset Management Vertical(SAMV):** Focused efforts for timely recovery under a specialized team
- **Online application facility for retail loans with time bound processing and sanctioning**
- **Setting up time bound and automated process for sanctioning of MSME loans**
- **Unusual trend in income & expenditure monitored by team at HO.** Limits in expenditure accounts has been put in place.
- **Mission Parivartan:** Think-tank to provide directional and policy inputs for improvement in all aspects related to PPP i.e. People, Products and Processes.

Capital optimization and conservation

Improving Credit RWAs Density



Capital Conservation

1. Capital conservation through RWA optimization.
2. Increase in quantum of plough back through higher profits and lower provisions
3. Rationalization of Credit and Market Risk portfolios to control RWAs.
4. Diversion of Loan portfolio towards low risk sectors.
5. Reorienting Business Model towards high rated borrowers.
6. Controlling Fresh Slippages. Increasing Asset Quality. Controlling Cost of Deposits.
7. Focusing on Retail Credit Expansion in RUSU.



'PARIVARTAN': Catalyst for 'EASE'

GOI's 'EASE'

Responsive & Responsible Banking

PNB's 'PARIVARTAN'

Transforming People, Processes & Products (PPP)



'EASE'	'PARIVARTAN'
Outcome of	EASE is Profit
Customer Responsiveness	Turn Around Time & Ambience
Responsible Banking	Asset Quality Recovery Vigilant
Credit Off-take	Increase Credit & Retail Business
UdyamiMitra for MSMEs	
Deepening financial Inclusion & Digitalization	Alternate Delivery Channels
Ensuring Outcomes - Governance/ HR	HR & Digital are pivots of PARIVARTAN



Thank you!!!