



Punjab National Bank
...the name you can BANK upon!

**Presentation on Performance for the
HY/Quarter September 2013**

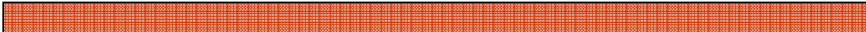
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Overview of Performance

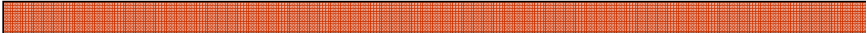
Particulars		Rs. Crore		YOY Growth %
Operating Profit	:			
- Q2 Sep'13		2535	↑	0.1
- HY Sep'13		5509	↑	2.5
Net profit	:			
- Q2 Sep'13		505		-52.6
- HY Sep'13		1781		-23.0
Total Business	:	719551	↑	3.5
Total Assets	:	494304	↑	4.7
Deposits	:	405699	↑	1.2
Credit	:	313852	↑	6.5

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 Profit (Rs. Crore)						
Sl.	Parameters	Q2' FY 13	Q2' FY 14	Q1' FY 14	Variation (Q2' 14 over Q2 '13)	
					Amt.	(%)
1	Interest Income	10428	10734	10405	306	2.9
2	Interest Expenses	6780	6718	6497	-62	-0.9
3	NII (Spread) (1-2)	3648	4016	3908	368	10.1
4	Other Income	907	899	1342	-8	-0.9
5	Operating Expenses	2022	2380	2276	358	17.7
6	Contribution (4-5)	-1115	-1481	-934	-366	32.8
7	Operating Profit (3+6)	2533	2535	2974	2	0.1
8	Provisions	1467	2029	1698	562	38.3
9	Net Profit	1066	505	1275	-560	-52.6

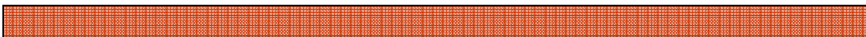

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 Profit from Core Operations (Rs. crore)					
Particulars	Q2' FY 13	Q2' FY 14	Q1' FY 14	Variation (Q2' 14 over Q2 '13)	
				Amt.	Gr. (%)
Net Profit Declared	1066	505	1275	-560	-52.6
Treasury Trading Profit	59	53	284	-6	-10.5
Depreciation	-14	443	92	457	
Net Profit (Excl. Trading Profit & impact of Depreciation)	993	896	1084	-97	-9.8
Operating Profit Declared	2533	2535	2974	2	0.1
Treasury Trading Profit	59	53	284	-6	-10.5
Core Operating Profit (Excl. Trading Profit)	2474	2482	2690	8	0.3


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 Provisions (Rs. Crore)						
Sl.	Particulars	Q2' FY 13	Q2' FY 14	Q1' FY 14	Variation (Q2' 14 over Q2 '13)	
					Amt.	%
1	Provision towards NPAs (Net of floating provisions)	1140	1005	675	-135	-11.9
2	Standard Adv. incl. Standard Restructured	-4	434	283	437	
4	Depreciation on Investment	-14	443	92	457	
5	Income Tax	393	131	632	-263	-66.8
6	Others	-49	17	17	66	-134.7
7	Total Provision	1467	2029	1698	562	38.3
						

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 Break-up : Income (Rs. Crore)						
Sl.	Parameters	Q2' FY 13	Q2' FY 14	Q1' FY 14	Variation (Q2' 14 over Q2 '13)	
					Amt.	(%)
1	Interest on Advances	7983	8023	7875	40	0.5
2	Interest on Investments	2322	2568	2439	247	10.6
3	Other Interest Income	123	142	90	19	15.4
4	Interest Income (1+2+3)	10428	10734	10405	306	2.9
5	Other Income	907	899	1342	-8	-0.9
	of which					
6	Core Non-Interest Income	686	783	911	97	14.1
7	Recovery in Written off a/cs	60	69	85	9	15.8
8	Trading Profit	59	53	284	-6	-10.5
9	Dividend from Liquid MF	81	30	63	-51	-63.0
10	Residual (incl Derivative inc)	22	-35	-1	-57	-261.3
11	Total Income (4+5)	11335	11633	11747	298	2.6
						

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Fee Based Income (Rs. Crore)						
Sl.	Particulars	Q2' FY 13	Q2' FY 14	Q1' FY 14	Variation (Q2' 14 over Q2 '13)	
					Amt.	(%)
1	Processing Fees	86	102	266	17	19.7
2	LC/LG Income	181	178	179	-2	-1.3
3	Bills & Remittance	96	107	96	11	11.7
4	Incidental Charges	30	43	30	13	41.9
5	Inc from ATM operations	76	87	81	11	15.0
6	Income from Ins & MF	7	13	14	6	85.1
7	Misc. Income	83	91	84	7	9.0
8	Exchange Profit	128	161	162	34	26.3
9	Core Non Interest Income	686	783	911	97	14.1

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Break-up : Expenditure (Rs. Crore)						
Sl.	Parameters	Q2' FY 13	Q2' FY 14	Q1' FY 14	Variation (Q2' 14 over Q2 '13)	
					Amt.	(%)
1	Intt. Paid on Deposits	6428	6335	6151	-93	-1.4
2	Intt. Paid on Borrowings	71	116	79	45	63.3
3	Others	282	267	267	-15	-5.2
4	Total Interest Paid (1+2+3)	6780	6718	6497	-62	-0.9
5	Estab. Expenses	1426	1659	1616	232	16.3
	Of Which					
5a	Employee Benefits (AS-15)	640	579	579	-61	-9.5
6	Other Operating Expenses	596	721	660	126	21.1
7	Operating Expenses (5+6)	2022	2380	2276	358	17.7
8	Total Expenses (4+7)	8802	9098	8773	296	3.4

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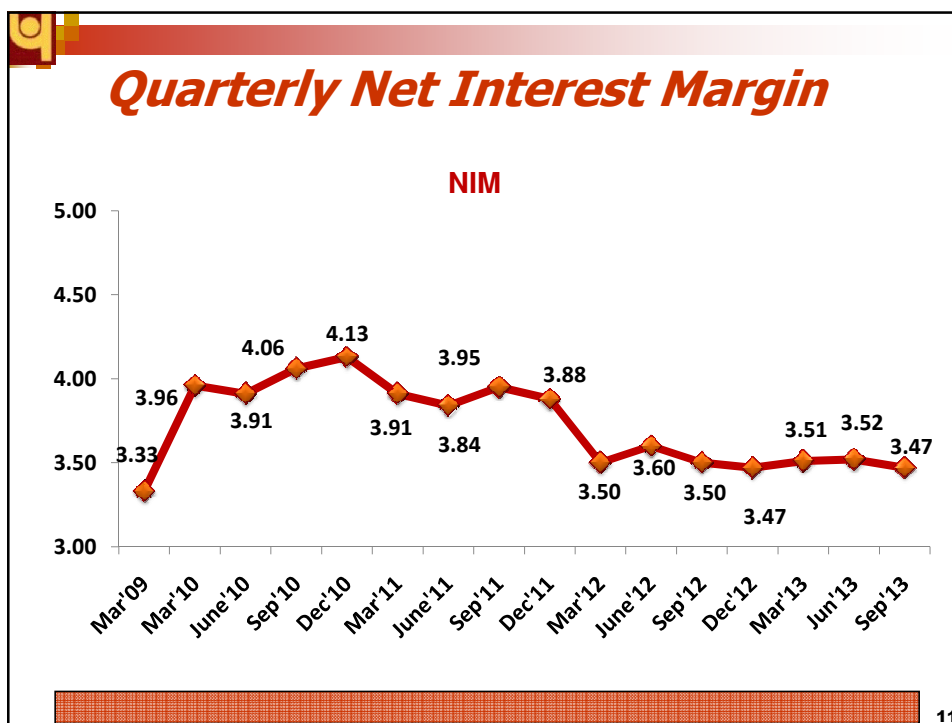
Cost & Yield Ratios (Annualized)				
Sl.	Particulars	Q 2' FY 2013	Q 2' FY 2014	Q 1' FY 2014
1	Cost of Deposit [%]	6.91	6.44	6.42
2	Cost of Fund [%]	5.77	5.26	5.28
3	Yield on Advances [%]	11.09	10.44	10.50
4	Yield on Investment [%]	7.86	7.89	7.79
5	Yield on Fund [%]	8.87	8.41	8.46
6	Net Interest Margin [%]	3.50	3.47	3.52

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Profitability Ratios (Annualized)				
Sl.	Particulars	Q 2' FY 2013	Q 2' FY 2014	Q 1' FY 2014
1	Return on Assets [%]	0.91	0.40	1.04
2	Return on Net worth [%]	14.86	6.11	15.68
3	Opt. Profit to AWF [%]	2.16	1.99	2.42
4	Cost to Income Ratio [%]	44.39	48.43	43.35
5	Estb. Exp. To Total Exp. [%]	16.20	18.23	18.42
6	Opt. Exp. To AWF [%]	1.72	1.86	1.85
7	Book Value per Share [Rs]	845.54	936.06	920.22
8	Earnings per share [Rs]	125.67	57.20	144.32

Cost to Income Ratio excl. Wage Revision: 44.76%

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Profit (Rs. Crore)

Sl.	Parameters	HY Sep'12	HY Sep'13	FY Mar'13	Variation (Sep'13 over Sep'12)	
					Amt.	(%)
1	Interest Income	20982	21138	41893	156	0.7
2	Interest Expenses	13641	13215	27037	-426	-3.1
3	NII (Spread) (1-2)	7341	7923	14857	582	7.9
4	Other Income	2075	2241	4216	166	8.0
5	Operating Expenses	4042	4656	8165	614	15.2
6	Contribution (4-5)	-1967	-2414	-3949	-447	22.7
7	Operating Profit (3+6)	5374	5509	10907	135	2.5
8	Provisions	3063	3728	6160	665	21.7
9	Net Profit	2311	1781	4748	-530	-23.0

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Profit from Core Operations (Rs. crore)					
Particulars	HY Sep'12	HY Sep'13	FY Mar'13	Variation (Sep'13 over Sep'12)	
				Amt.	(%)
Net Profit Declared	2311	1781	4748	-530	-23.0
Treasury Trading Profit	147	337	487	190	129.4
Depreciation	-119	535	104	654	
Net Profit (Excl. Trading Profit & impact of Depreciation)	2046	1980	4365	-66	-3.2
Operating Profit Declared	5374	5509	10907	135	2.5
Treasury Trading Profit	147	337	487	190	129.4
Core Operating Profit (Excl. Trading Profit)	5227	5172	10421	-55	-1.1

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Provisions (Rs. Crore)						
Sl.	Particulars	HY Sep'12	HY Sep'13	FY Mar'13	Variation (Sep'13 over Sep'12)	
					Amt.	(%)
1	Provision towards NPAs (Net of floating provisions)	2040	1679	3336	-361	-17.7
2	Standard Adv. Incl. Standard Restructured	180	717	874	537	298.7
4	Depreciation on Investment	-119	535	104	654	
5	Income Tax	956	763	1774	-194	-20.2
6	Others	5	34	71	29	550.0
7	Total Provision	3063	3728	6160	665	21.7

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 Break-up : Income (Rs. Crore)						
Sl.	Parameters	HY Sep'12	HY Sep'13	FY Mar'13	Variation (Sep'13 over Sep'12)	
					Amt.	(%)
1	Interest on Advances	16172	15898	31855	-274	-1.7
2	Interest on Investments	4618	5008	9530	390	8.4
3	Other Interest Income	193	233	509	40	20.9
4	Interest Income (1+2+3)	20982	21138	41893	156	0.7
5	Other Income	2075	2241	4216	166	8.0
	of which					
6	Core Non-Interest Income	1631	1694	3054	63	3.9
7	Recovery in Written off a/cs	146	154	421	8	5.4
8	Trading Profit	147	337	487	190	129.4
9	Dividend from Liquid MF	129	93	233	-36	-27.8
10	Residual (incl Derivative inc)	23	-37	21	-59	-262.6
11	Total Income (4+5)	23057	23379	46109	322	1.4

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 Fee Based Income (Rs. Crore)						
Sl.	Particulars	HY Sep'12	HY Sep'13	FY Mar'13	Variation (Sep'13 over Sep'12)	
					Amt.	(%)
1	Processing Fees	347	368	519	21	6.1
2	LC/LG Income	355	357	735	2	0.6
3	Bills & Remittance	209	203	395	-6	-3.0
4	Incidental Charges	59	73	153	14	23.4
5	Inc from ATM operations	151	168	311	17	11.3
6	Income from Ins & MF	20	28	55	8	37.9
7	Misc. Income	150	174	305	24	15.8
8	Exchange Profit	339	324	581	-16	-4.6
9	Core Non Interest Income	1631	1694	3054	63	3.9

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Break-up : Expenditure (Rs. Crore)						
Sl.	Parameters	HY Sep'12	HY Sep'13	FY Mar'13	Variation (Sep'13 over Sep'12)	
					Amt.	(%)
1	Intt. Paid on Deposits	12854	12487	25501	-367	-2.9
2	Intt. Paid on Borrowings	219	194	416	-24	-11.1
3	Others	569	534	1120	-34	-6.1
4	Total Interest Paid (1+2+3)	13641	13215	27037	-426	-3.1
5	Estab. Expenses	2846	3275	5675	429	15.1
	Of Which					
5a	Employee Benefits (AS-15)	1280	1158	2102	-122	-9.5
6	Other Operating Expenses	1196	1381	2490	185	15.5
7	Operating Expenses (5+6)	4042	4656	8165	614	15.2
8	Total Expenses (4+7)	17683	17871	35202	187	1.1

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Cost & Yield Ratios (Annualized)				
Sl.	Particulars	Sep'12 HY	Sep'13 HY	Mar'13 FY
1	Cost of Deposit [%]	6.95	6.44	6.82
2	Cost of Fund [%]	5.86	5.27	5.70
3	Yield on Advances [%]	11.30	10.47	11.06
4	Yield on Investment [%]	7.89	7.84	7.89
5	Yield on Fund [%]	9.02	8.43	8.83
6	Net Interest Margin [%]	3.55	3.49	3.52

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 Profitability Ratios (Annualized)				
Sl.	Particulars	Sep'12 HY	Sep'13 HY	Mar'13 FY
1	Return on Assets [%]	1.00	0.71	1.00
2	Return on Net worth [%]	16.12	10.76	15.19
3	Opt. Profit to AWF [%]	2.31	2.20	2.30
4	Cost to Income Ratio [%]	42.93	45.80	42.81
5	Estb. Exp. To Total Exp. [%]	16.09	18.32	16.12
6	Opt. Exp. To AWF [%]	1.74	1.86	1.72
7	Book Value per Share [Rs]	845.54	936.06	884.03
8	Earnings per share [Rs]	136.29	100.76	139.52
Cost to Income Ratio excl. Wage Revision: 39.11%				

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 Business (Rs. Crore)					
Sl.	Parameters	Sep'12	Mar'13	Sep'13	Variation % Over
					Mar'13 Sep'12
1	Total Business	695534	700285	719551	2.8 3.5
	<i>Out of Which</i>				
	Overseas Business	40317	48335	54031	11.8 34.0
	Overseas Business (USD Mio)	7740	9057	8656	-4.4 11.8
2	Total Deposit	400747	391560	405699	3.6 1.2
3	Total Advances	294787	308725	313852	1.7 6.5
4	CD Ratio [%]	73.56%	78.84%	77.36%	

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 Deposit (Rs. Crore)						
Sl.	Parameters	Sep'12	Mar'13	Sep'13	Variation % Over	
					Mar'13	Sep'12
1	Total Deposit	400747	391560	405699	3.6	1.2
2	Overseas Deposit	13545	16277	21840	34.2	61.2
	Overseas Deposit (USD Mio)	2664	3139	3489	11.2	31.0
3	Differential Rate Dep. Incl. CD	83314	48921	25540	-47.8	-69.3
	Share of DRI Dep. to Total %	20.79	12.49	6.30		
4	Inter Bank Deposit	18826	14088	12658	-10.2	-32.8
5	Core Deposit	298607	328551	367501	11.9	23.1
	Core Dep. To Total (%)	74.51%	83.91%	90.58%		
6	SB Deposit	115389	123470	130207	5.5	12.8
7	Current Deposit	28040	29874	26175	-12.4	-6.7
8	CASA Deposit	143429	153344	156382	2.0	9.0
	Share of CASA To Dom. Dep. (%)	37.0%	40.9%	40.7%		
9	Core Term Deposit	157390	178180	212870	19.5	35.3
CASA as percentage to Core Deposit is at 42.55%						21

 Advances- Sectoral (Rs. Crore)						
Sl.	Parameters	Sep'12	Mar'13	Sep'13	% Share in NFC	Variation Sep'13/Sep'12
						Amt. (%)
1	Global Gross Advances	300873	315243	321539		20666 6.9
2	Overseas Advances	26772	32058	32190		5418 20.2
3	Domestic Gross Advances	274101	283185	289349		15248 5.6
3a	Food Credit	5723	6057	6318		595 10.4
3b	Dom. Non-Food Gross Adv.	268378	277128	283031	100.0	14653 5.5
	- of Which (Sl. No. 4 to 9)					
4	Agriculture & Allied	40291	38055	40947	14.5	656 1.6
5	Industry	124188	131989	133348	47.1	9160 7.4
	- of Which					
5a	MSME Manufacturing	30701	33568	36482	12.9	5781 18.8
5b	Large Industry	93487	98421	96866	34.2	3379 3.6
6	Retail Loans	29870	31310	34226	12.1	4356 14.6
	- of Which					
6a	Housing	13303	14332	15332	5.4	2029 15.3
6b	Car/Vehicle	2646	2880	2901	1.0	255 9.6
6c	Education	3548	3588	3776	1.3	228 6.4
6d	Other Retail Loans	10373	10510	12217	4.3	1844 17.8
7	Commercial Real Estate	9473	9220	8453	3.0	-1020 -10.8
	of which -Lease Rental	5523	5531	5504	1.9	-19 -0.3
8	NBFC	11730	11052	11692	4.1	-38 -0.3
9	Services & Others	52826	55502	54365	19.2	1539 2.9
MSME Advances: Rs. 63969 Cr. YoY Gr. 16.51%						22

Advances – Industry wise Breakup (Rs. Crore)								
	Sep'12		Mar'13		Sep'13		YoY Variation	
	Amt.	Share % to NFC	Amt.	Share % to NFC	Amt.	Share % to NFC	Amt.	(%)
Food Processing	4954	1.8	5929	2.1	5721	2.0	767	15.5
Textiles	8486	3.2	9025	3.3	9128	3.2	643	7.6
Chemical & Chemical Products	3292	1.2	3823	1.4	4466	1.6	1174	35.6
Cement & Cement Products	2214	0.8	2289	0.8	2361	0.8	147	6.7
Basic Metal & Metal Products	17771	6.6	20124	7.3	20803	7.4	3032	17.1
-Iron & Steel	14342	5.3	16510	6.0	18131	6.4	3789	26.4
Paper & paper products	1301	0.5	1400	0.5	1464	0.5	163	12.5
Petroleum	1430	0.5	1277	0.5	1498	0.5	67	4.7
All Engineering Products	4629	1.7	5029	1.8	5054	1.8	425	9.2
Vehicles & Vehicle parts	908	0.3	1080	0.4	881	0.3	-28	-3.1
Construction	1694	0.6	1793	0.6	1993	0.7	299	17.6
Infrastructure	50478	18.8	53277	19.2	56842	20.1	6364	12.6
-Power	26167	9.8	27726	10.0	32108	11.3	5941	22.7
-Tele-Communication	8005	3.0	8116	2.9	6855	2.4	-1150	-14.4
- Roads & Ports	10021	3.7	11145	4.0	10991	3.9	970	9.7
- Others	6285	2.3	6289	2.3	6888	2.4	603	9.6
Residual	27031	10.1	26943	9.7	23137	8.2	-3894	-14.4
Industry	124188	46.3	131989	47.6	133348	47.1	9160	7.4

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Investment (Rs. Crore)				
Sl.	Particulars	Sep'12	Mar'13	Sep'13
1	Gross Investment	129176	130313	132787
2	Held To Maturity (HTM)	93863	91267	96017
3	Available For Sale (AFS)	33468	37027	36307
4	Held For trading (HFT)	1845	2019	463
5	Duration (AFS)	3.85	4.39	4.01
6	Modified Duration (AFS)	3.66	4.17	3.77
7	Duration Total Portfolio	4.79	4.76	4.85
8	Modified Duration Total Portfolio	4.59	4.56	4.62
9	Net demand & time Liabilities	376876	378653	398969
10	SLR (%)	30.06	27.98	27.03
11	SLR HTM to Total SLR (%)	85.14	82.99	84.49
12	HTM To Gross Investment (%)	72.66	70.04	72.31
13	Total SLR	107686	107445	111233
14	Total Non SLR	21490	22868	21554

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Restructured Accounts (Rs. Crore)						
YEAR	OUTSTANDING AS ON 30.09.2013					
	STANDARD		NPA		Grand Total	
	No of A/Cs	Amount	No of A/Cs	Amount	No of A/Cs	Amount
Upto 2008-09	6	502	1235	234	1241	736
2009-10	5	1128	429	51	434	1179
2010-11	313	1182	84	396	397	1578
2011-12	222	12091	90	907	312	12998
2012-13	266	14486	12	545	278	15031
2013-14						
Sep'13 HY	241	5427	4	114	245	5541
TOTAL	1053	34816	1854	2247	2907	37063

Restructured accounts include the following amounts pertaining to other facilities of the borrowers not restructured (included in restructured portfolio as per RBI guidelines):

2010-11:	Rs. 233.10 crore
2011-12:	Rs. 2631.57 crore
2012-13:	Rs. 2104.18 Crore
Sep'13 HY:	Rs. 1268.72 Crore
Total	Rs. 6237.57 Crore

Restructured advances as %age to Gross Advances: 11.53%

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Restructured Accounts (Rs. Crore)		
Asset Quality Movement of Restructured portfolio		
STANDARD A/Cs Restructured	Out of which Slipped to NPA	Slippage %age
41219	5451	13.22
About 86.78 % of the standard accounts restructured continue to be standard		
Accounts with balance O/S above Rs. 1 Crore		
NPA A/Cs Restructured	Out of which Improved to standard	Upgradation %age
956.72	165.11	17.25
About 17.25% of the NPA restructured portfolio has upgraded to standard category		

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Sectorwise O/S Restructured Accounts (Rs. Crore)				
01.04.2013 to 30.09.2013 (Current HY)				
Sl.	Restructured Accounts	No.	Amt. O/s	Diminution in Fair Value
1	Standard Adv.	241	5427	381.59
2	Sub Standard Adv.	3	112	33.27
3	Doubtful Adv.	1	1	0.12
	Total	245	5541	414.98

Cumulative				
Sl.	Restructured A/cs (O/s)	No.	Amt. O/s	
1	Under CDR	98	13561	
2	Under SME	608	1288	
3	Others (Non-CDR)	2201	22214	
	Total	2907	37063	

Sl.	Sector	Upto Mar'13	H1	O/S Amt	%age Share
A	Agriculture	202	120	322	0.9
B	Housing	1	0	1	0.0
C	Real Estate	438	0	438	1.2
D	Industry	28967	4254	33221	89.6
E	Others	1914	1167	3081	8.3
	Total	31522	5541	37063	100.0
Out of the Above Major Industries/Sectors					
1	Iron & Steel	4086	858	4944	13.3
2	Infrastructure	17359	2010	19569	52.8
Out of which					
2.a	Power	11922	1406	13328	36.0
2.b	Telecom	1087	121	1208	3.3
3	Drilling	667	0	667	1.8
4	Textiles	950	535	1485	4.0
5	Aviation	1611	0	1611	4.3
6	Sugar	635	170	805	2.2
7	Paper/Printing	206	0	206	0.6
8	Chemical/Fertiliser/Drugs	658	93	751	2.0
9	Cement	742	17	759	2.0
10	Manufacturing	251	15	265	0.7
11	Engineering	434	0	434	1.2
12	Auto parts	0	91	91	0.2
13	Hotel	717	52	767	2.1
14	Education	519	214	733	2.0
15	Finance	132	0	132	0.4

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Non-Performing Assets (Rs. Crore)				
Sl.	Parameters	Sep'12	Mar'13	Sep'13
1	NPA as at the beginning of Yr.	8720	8720	13466
2	Cash Recovery	955	1942	1474
3	Up gradation	1004	962	567
4	Write Off	50	997	872
5	Total Reduction (2+3+4)	2009	3901	2913
6	Fresh Addition	7313	8647	5973
	-Fresh slippages	6875	7809	5280
	-Debits in existing NPA A/cs	438	838	693
7	Gross NPAs end period	14024	13466	16526
8	Eligible Deductions incl. Provisions	6140	6229	6917
9	Net NPAs	7883	7237	9609
10	Recovery in written-off debt A/Cs	146	421	154

Particulars	Sep'12	Mar'13	Sep'13
Gross NPA%	4.66%	4.27%	5.14%
Net NPA%	2.69%	2.35%	3.07%
NPA Coverage Ratio	54.31%	58.83%	55.27%

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Capital Adequacy (Basel III) (Rs. Crore)					
Sl.	Particulars	BASEL II			BASEL III
		Sep'12	Mar'13	Sep'13	Sep'13
1	Tier I	26975	31664	31580	29942
2	Tier II	9295	9608	9451	8831
3	Total (Tier I+II)	36270	41273	41031	38773
4	Risk-weighted Assets	309271	324380	333204	333586
5	Capital Adequacy Ratio (%)	11.73%	12.72%	12.32%	11.62%
6	Tier I (%)	8.72%	9.76%	9.48%	CET: 8.56%
					AT I: 0.41%
					Total Tier I: 8.97%
7	Tier II (%)	3.01%	2.96%	2.84%	2.65%

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Market Share & Productivity				
Sl.	Parameters	Sep'12	Mar'13	Sep'13
1	Deposit Market Share (%)	5.58	5.18	5.07
2	Credit Market Share (%)	5.43	5.11	4.94
3	Business Per Branch (Rs. Cr.)	117.73	116.84	117.43
4	Business Per Employee (Rs. Cr.)	11.76	11.65	11.54

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