

HO:FINANCE DIVISION (SHARE DEPARTMENT), 5,SANSAD MARG, NEW DELHI-110001
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FD/SD/244

19th May, 2017

| | |
|--|---|
| Script Code : PNB | Script Code : 532461 |
| The Assistant Vice President National Stock Exchange of India Limited "Exchange Plaza", Bandra – Kurla Complex, Bandra (E), <u>Mumbai – 400 051</u> | The Dy. General Manager Bombay Stock Exchange Limited 1 st Floor, Phiroze Jeejeebhoy Towers Dalal Street, <u>Mumbai – 400 001</u> |

Dear Sir/Madam,

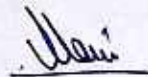
Reg.: Analysts' Meet on the Financial Results for the Q4 FY' 17

The Exchange is hereby informed that Managing Director and CEO of the Bank gave a presentation to analysts/Investors today, 19th May 2017 at 11.00 am Hotel Trident, Nariman Point, Mumbai on the Financial Results for the quarter/Financial Year ended 31.03.2017.

A copy of analyst/investors presentation is enclosed herewith. It is available at the website of the Bank also.

Thanking you

Yours sincerely,



(Balbir Singh)
COMPANY SECRETARY





**FINANCIAL
RESULTS**

**Quarter & FY
Ended March
2017**

123
Years
of
Leadership
in
Banking

MAJOR HIGHLIGHTS

01

Higher Operating Profit : Rs. 14565 Cr

02

Gross & Net NPA below March'16 as well as Dec'16 Level
GNNPA = Rs. 55370 Cr. NNPA= Rs. 32702 cr.

03

PCR Increased from 51.06% in Mar'16 to 58.57% in Mar'17

04

Stable Asset Quality in Large Credit Portfolio

05

Sustained Cash Recovery & Up-gradation

06

Sustained High Growth : 26.5% in CASA Deposits



KEY STRENGTHS

Vast Branch & ATM Network



17618

Commanding Share in CASA



46.0%

Sustainable Operating Profit



Rs. 14565 Cr.

Strong & Consistent Cash Recovery



Rs. 10677 Cr.

Increased Digitization



54% Txns through ADC



MAJOR BANKING EVENTS DURING Q4 FY'17

| <i>Event</i> | <i>Implication</i> |
|--|--|
| Re-Monetization | Going forward, new normal in currency is likely to accelerate economic activity and so in bank's business. |
| Neutral Stance of Monetary Policy | Control on Inflation is seen to pave the path for credit growth. |
| Growth Oriented Union Budget | Orientation of Budget towards Rural & Semi-Urban Areas and Housing offers opportunity for the large network of PNB (over 61% Branches in Rural & Semi-Urban areas). |
| Liquidity | Liquidity may find Directional Change from deployment in low yield securities to high yielding fresh credit. |
| Insolvency and Bankruptcy laws | Reforms in Recovery and Debt Recast are likely to smoothen the process of Reduction of Stressed Assets. |



CONTENTS

Business

Profitability

Treasury Operations

Asset Quality

Capital & Shareholding

PAN India Presence

Digitalization

Way Forward

CONTENTS

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Profitability

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Capital & Shareholding

PAN India Presence

Digitalization

Way Forward

BUSINESS PERFORMANCE - MAJOR COMPONENTS

Rs. Cr.

(TERMINAL LEVEL)

| Sl. | Parameters | Mar'16 | Dec'16 | Mar'17 | YoY Variation | |
|-----|--------------------------------|--------|--------|---------|---------------|------|
| | | | | | Amt. | % |
| 1 | Global Business | 965377 | 997907 | 1041197 | 75820 | 7.9 |
| | Domestic Business | 853254 | 893862 | 935065 | 81811 | 9.6 |
| | Overseas Business | 112123 | 104045 | 106132 | -5990 | -5.3 |
| | Overseas Business (In USD Mio) | 17010 | 15493 | 16552 | -458 | -2.7 |
| | Share of Overseas Business (%) | 11.61% | 10.43% | 10.19% | | |
| 2 | Global Deposits | 553051 | 612180 | 621704 | 68653 | 12.4 |
| | Gross Advances | 432775 | 406042 | 441751 | 8976 | 2.1 |
| 3 | Global Net Advances | 412326 | 385727 | 419493 | 7167 | 1.7 |
| 4 | CD Ratio [%] | 74.55% | 63.01% | 67.47% | | |
| 5 | CASA Deposits | 205583 | 262775 | 260016 | 54433 | 26.5 |
| 6 | Saving Deposits | 169426 | 221997 | 214163 | 44736 | 26.4 |
| 7 | CASA Share (%) | 41.6% | 47.1% | 46.0% | | |

BUSINESS PERFORMANCE - MAJOR COMPONENTS

Rs. Cr.

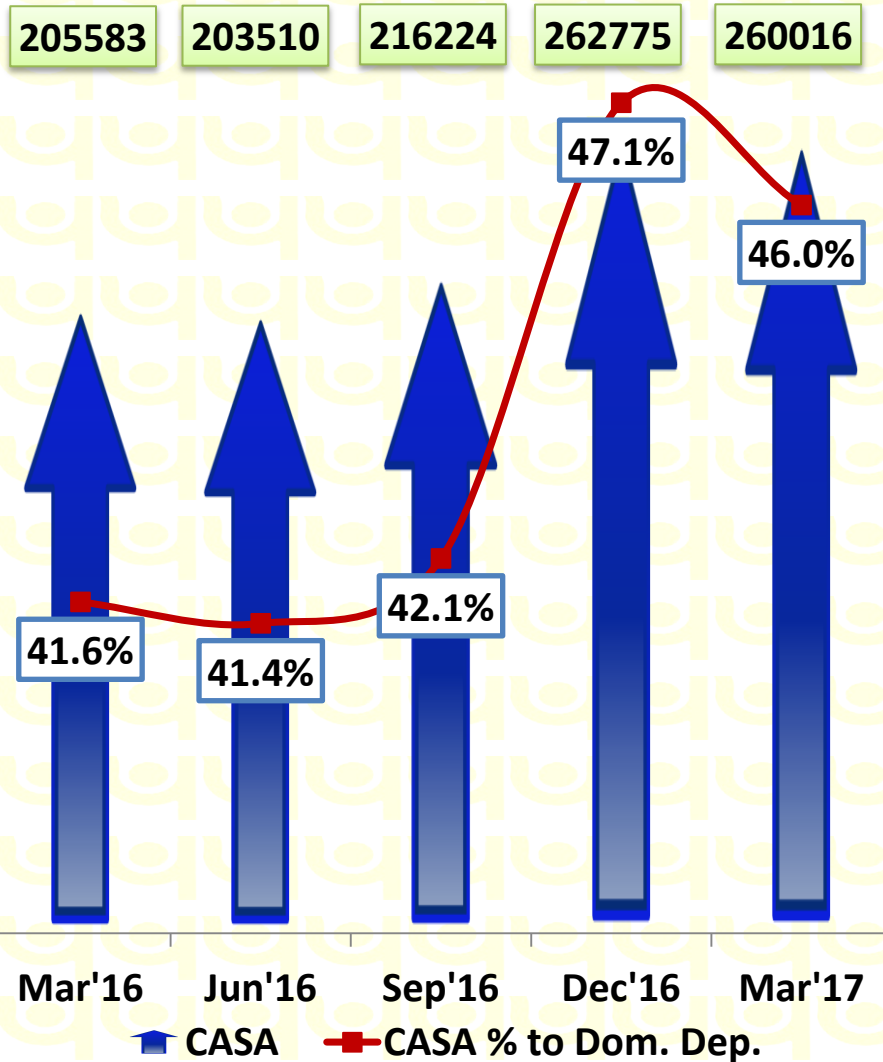
(DAILY AVERAGE BASIS)

| Sl. | Parameters | Mar'16 | Dec'16 | Mar'17 | YoY Variation | |
|-----|--------------------------------|--------|--------|--------|---------------|------|
| | | | | | Amt. | % |
| 1 | Global Business | 876676 | 928441 | 938457 | 61782 | 7.0 |
| | <i>Domestic Business</i> | 772672 | 818699 | 831673 | 59002 | 7.6 |
| | <i>Overseas Business</i> | 104004 | 109742 | 106784 | 2780 | 2.7 |
| | Share of Overseas Business (%) | 11.86% | 11.82% | 11.38% | | |
| 2 | Global Deposits | 509869 | 552340 | 561543 | 51674 | 10.1 |
| | Gross Advances | 378477 | 396566 | 397341 | 18864 | 5.0 |
| 3 | Global Net Advances | 366807 | 376101 | 376914 | 10107 | 2.8 |
| 4 | CD Ratio [%] | 71.94% | 68.09% | 67.12% | | |
| 5 | CASA Deposits | 173032 | 201840 | 211211 | 38178 | 22.1 |
| 6 | Saving Deposits | 151298 | 177809 | 185805 | 34507 | 22.8 |
| 7 | CASA Share (%) | 37.6% | 40.8% | 41.7% | | |

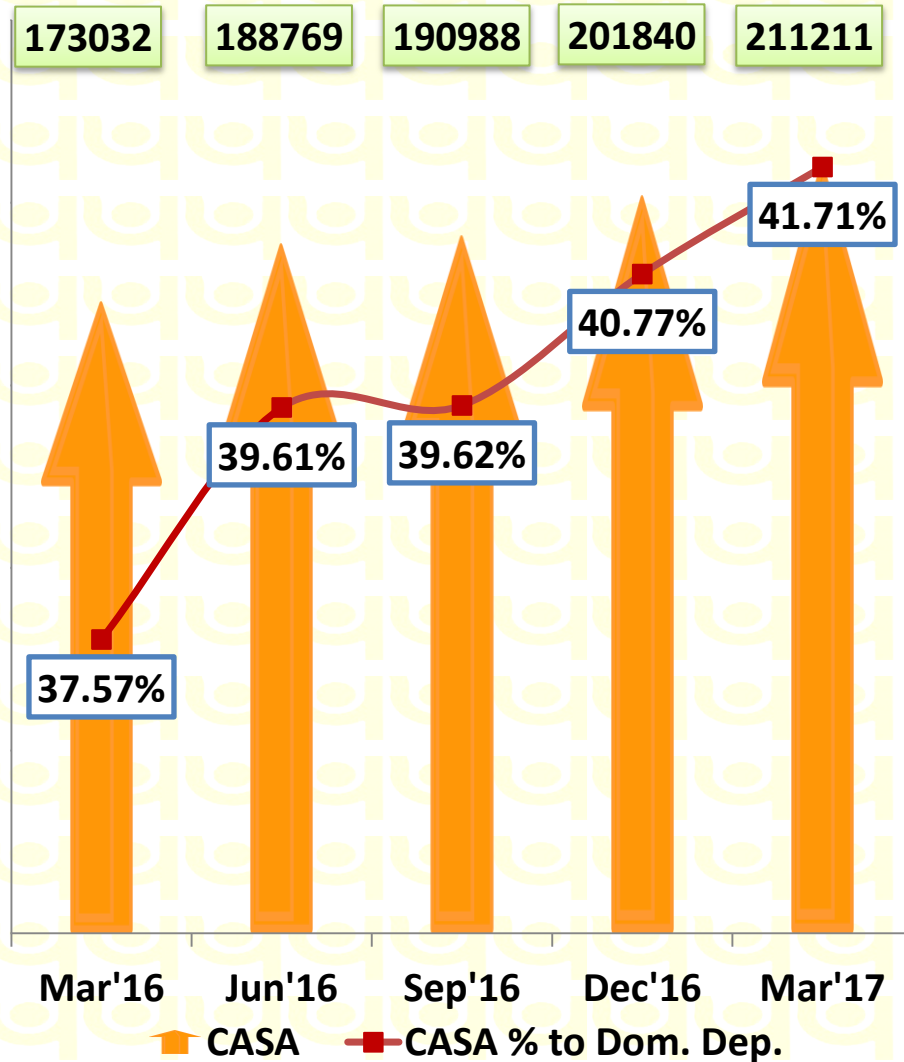
CONSISTENTLY GROWING CASA DEPOSITS

Rs. Cr.

CASA – Terminal Level



CASA – Daily Average



BUSINESS PERFORMANCE - DEPOSITS

Rs. Cr.

| Sl. | Parameters | Mar'16 | Dec'16 | Mar'17 | YoY Variation | |
|-----|---------------------------------|--------|--------|--------|---------------|-------|
| | | | | | Amt. | % |
| 1 | Global Deposits | 553051 | 612180 | 621704 | 68653 | 12.4 |
| 2 | Domestic Deposits | 493855 | 557980 | 565573 | 71718 | 14.5 |
| 3 | Overseas Deposits | 59196 | 54200 | 56131 | -3065 | -5.2 |
| 4 | CASA Deposits | 205583 | 262775 | 260016 | 54433 | 26.5 |
| 5 | Current Deposits | 36157 | 40778 | 45853 | 9696 | 26.8 |
| 6 | SB Deposits | 169426 | 221997 | 214163 | 44736 | 26.4 |
| | Share of CASA To Dom. Dep. (%) | 41.63% | 47.09% | 45.97% | | |
| 7 | Term Deposits | 347468 | 349405 | 361688 | 14220 | 4.1 |
| 8 | Differential Rate Dep. Incl. CD | 3167 | 1354 | 403 | -2764 | -87.3 |
| | Share of DRI Dep. to Total % | 0.57% | 0.22% | 0.06% | | |

CREDIT: STEADY & QUALITATIVE FRESH BUILDUP

Vast Rural & Semi-Urban Network

Normal Monsoon → Good Crop → Better Rural Income and Housing offers scope for expansion in fresh credit.

Small Ticket Advances

Leveraging vast branch network for acquiring higher market share in Agriculture, MSMEs and Retail credit.

Fresh Credit linkages

Leveraging Technology to Integrate Financial Inclusion & India Post Payments Bank customers

Large Corporate

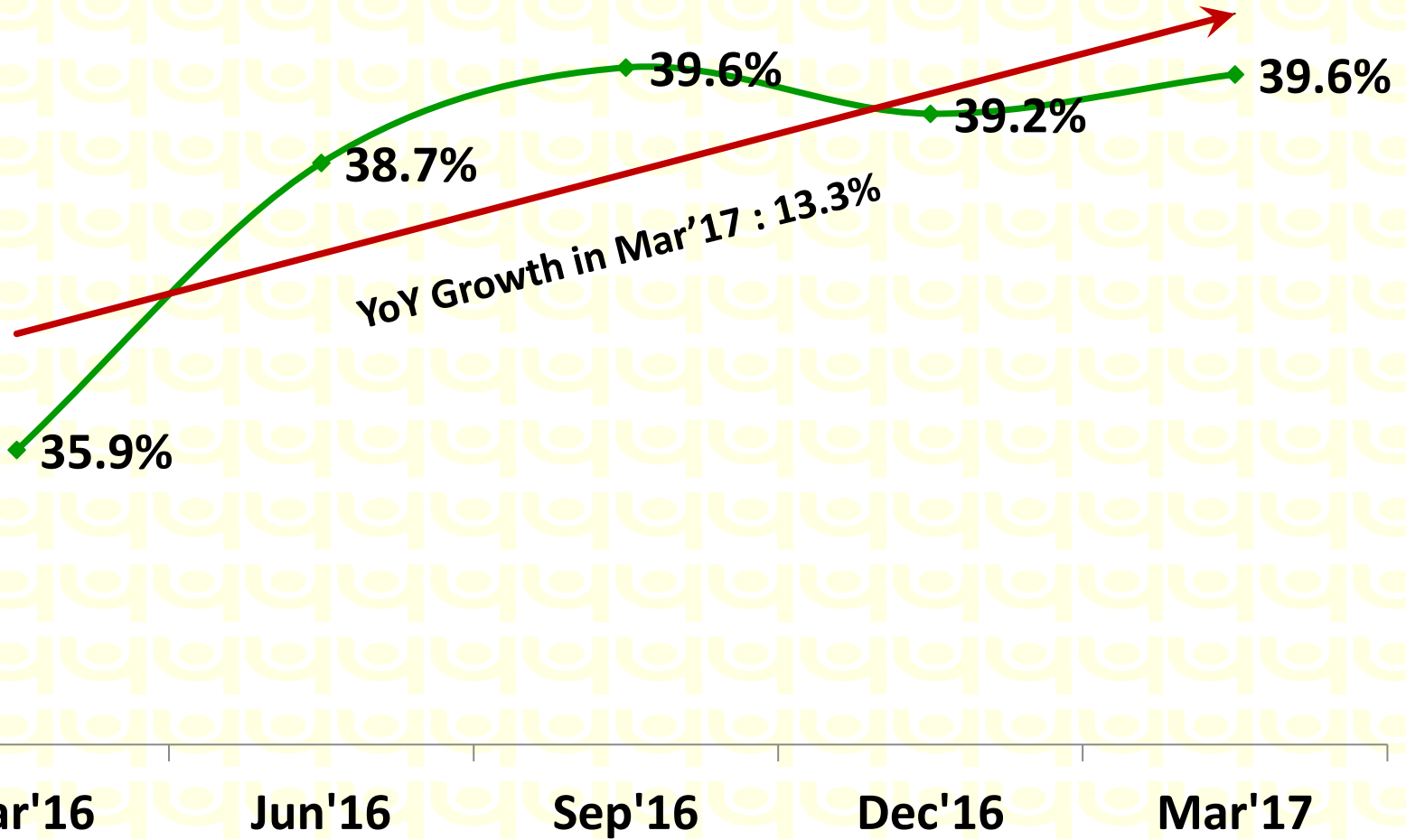
Strengthening JLF Mechanism to resolve large accounts

CREDIT

| Sl. | Parameters | 31.03.16 | 31.12.16 | 31.03.17 | YoY Variation | |
|-----|-----------------------|----------|----------|----------|---------------|------|
| | | | | | Amt. | % |
| 1 | Global Gross Advances | 432775 | 406042 | 441751 | 8976 | 2.1 |
| 2 | Overseas Advances | 52926 | 49845 | 50001 | -2925 | -5.5 |
| 3 | Domestic Advances | 379849 | 356197 | 391750 | 11901 | 3.1 |
| 4 | Large Industry | 123180 | 113612 | 120634 | -2547 | -2.1 |
| 5 | Agriculture & Allied | 62604 | 61709 | 66931 | 4327 | 6.9 |
| 6 | MSME | 80354 | 78933 | 81592 | 1238 | 1.5 |
| 7 | Retail Loans | 57801 | 61035 | 65982 | 8181 | 14.2 |
| 8 | Others (Incl. NBFC) | 55910 | 40908 | 56611 | 702 | 1.3 |

| | Mar'16 | Dec'16 | Mar'17 | % Share | YoY Variation | |
|-------------------------|--------|--------|--------|---------|---------------|------|
| | | | | | Amt. | % |
| Domestic Advances | 379849 | 356197 | 391750 | | 11901 | 3.1 |
| Advances Upto Rs. 5 Cr. | 136322 | 139573 | 154517 | 39.4% | 18196 | 13.3 |
| Above Rs. 5 Cr. | 243527 | 216624 | 237233 | 60.6% | -6295 | -2.6 |

INCREASING SHARE OF ADVANCES BELOW RS. 5 CRORE





PERFORMANCE UNDER NATIONAL GOALS

Rs. Cr.

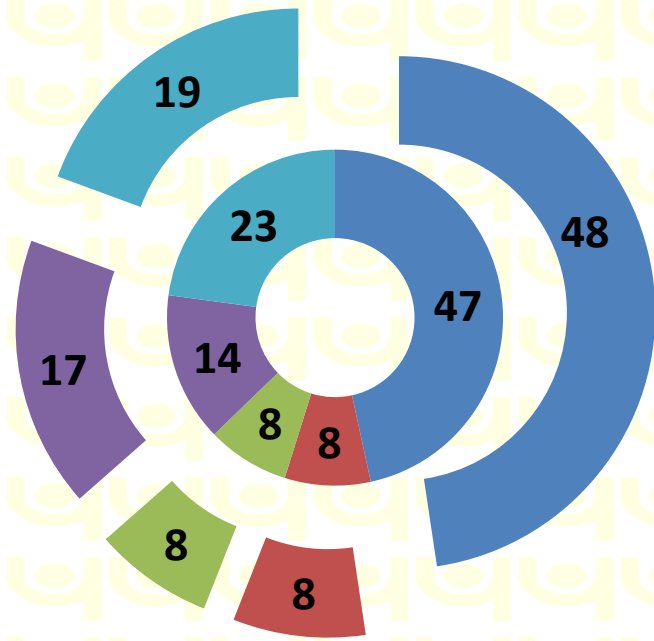
| Parameter | National Goals | March 17 | |
|---|----------------|----------|-------------|
| | | % Ach. | O/S Balance |
| Priority Sector | | | |
| Priority Sector (%age of ANBC) | 40% | 40.52% | 140730 |
| Total Agriculture Adv. (%age of ANBC) | 18% | 18.66% | 66931 |
| Small & Marginal Farmers (%age of ANBC) | 8% | 8.96% | 33037 |
| Other National Goals | | | |
| Micro Enterprises Accounts (YoY Gr.) | 10% | 19.38% | 738634 |
| Credit to Micro Entrp. (%age of ANBC) | 7.50% | 8.79% | 28851 |

ADVANCES – SECTORAL CLASSIFICATION

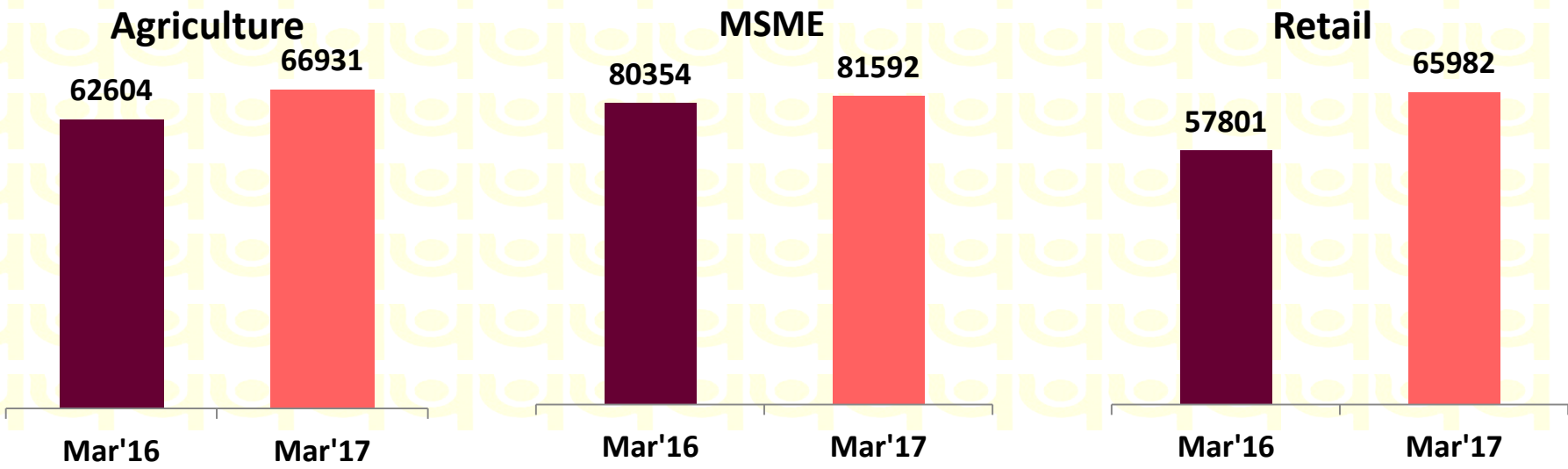
Rs. Cr.

Inner Circle=Mar'16
& Outer Circle =Mar'17

Retail Break-Up(%)



- Housing
- Car/vehicle
- Education
- Mortgage
- Others



ADVANCES TO INDUSTRY - BREAKUP

Rs. Cr.

| Sl. | Major Industry | 31.03.16 | | 31.12.16 | | 31.03.17 | | YoY Variation | |
|-----|------------------------------|---------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|
| | | Amt. | Share % DC* | Amt. | Share % DC | Amt. | Share % DC | Amt. | % |
| 1 | Food Processing | 13390 | 3.5 | 11688 | 3.3 | 11254 | 2.9 | -2136 | -16.0 |
| 2 | Textiles | 12082 | 3.2 | 11334 | 3.2 | 11828 | 3.0 | -254 | -2.1 |
| 3 | Chemical & Chemical Products | 7013 | 1.8 | 6130 | 1.7 | 9431 | 2.4 | 2418 | 34.5 |
| 4 | Cement & Cement Products | 2298 | 0.6 | 2303 | 0.6 | 2322 | 0.6 | 24 | 1.1 |
| 5 | Basic Metal & Metal Products | 29988 | 7.9 | 28302 | 7.9 | 27576 | 7.0 | -2412 | -8.0 |
| 5a | -Iron & Steel | 27766 | 7.3 | 26087 | 7.3 | 25401 | 6.4 | -2365 | -8.5 |
| 6 | Paper & Paper Products | 1503 | 0.4 | 1543 | 0.4 | 1404 | 0.4 | -99 | -6.6 |
| 7 | Petroleum | 1992 | 0.5 | 1564 | 0.4 | 1938 | 0.5 | -54 | -2.7 |
| 8 | All Engineering Products | 4827 | 1.3 | 4711 | 1.3 | 4499 | 1.1 | -328 | -6.8 |
| 9 | Vehicles & Vehicle parts | 867 | 0.2 | 817 | 0.2 | 748 | 0.2 | -119 | -13.7 |
| 10 | Construction | 3660 | 1.0 | 3837 | 1.1 | 3722 | 0.9 | 62 | 1.7 |
| 11 | Infrastructure | 59521 | 15.7 | 58756 | 16.5 | 63951 | 16.2 | 4430 | 7.4 |
| 12 | Others | 19822 | 5.2 | 15965 | 4.5 | 11226 | 2.8 | -8596 | -43.4 |
| | Industry Total | 156962 | 41.3 | 146951 | 41.3 | 149899 | 38.0 | -7064 | -4.5 |

*DC : Domestic Credit

ADVANCES TO INFRASTRUCTURE SECTOR- BREAKUP

Rs. Cr.

| Major Industry | 31.03.16 | | 31.12.16 | | 31.03.17 | | YoY Variation | |
|-----------------------|--------------|-------------|--------------|-------------|--------------|-------------|---------------|------------|
| | Amt. | Share % DC | Amt. | Share % DC | Amt. | Share % DC | Amt. | % |
| Infrastructure | 59521 | 15.7 | 58756 | 16.5 | 63951 | 16.2 | 4430 | 7.4 |
| -Power | 32207 | 8.5 | 31529 | 8.9 | 32874 | 8.3 | 667 | 2.1 |
| -Tele-Communication | 7331 | 1.9 | 7001 | 2.0 | 9126 | 2.3 | 1795 | 24.5 |
| - Roads & Ports | 14318 | 3.8 | 13805 | 3.9 | 15357 | 3.9 | 1039 | 7.3 |
| - Others | 5665 | 1.5 | 6421 | 1.8 | 6593 | 1.7 | 929 | 16.4 |

DC : Domestic Credit

CONTENTS

Business

Profitability

Treasury Operations

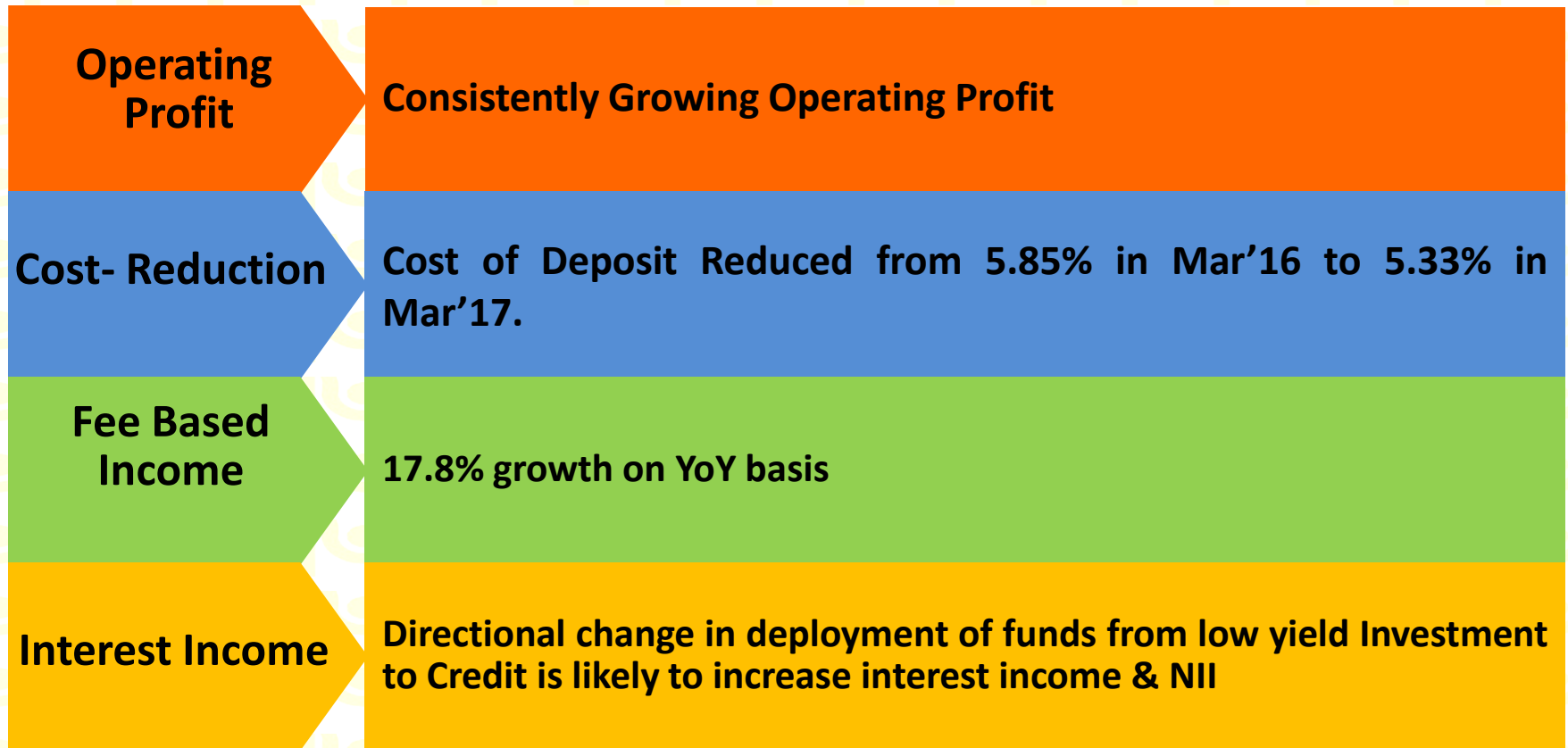
Asset Quality

Capital & Shareholding

PAN India Presence

Digitalization

Way Forward

PROFIT

PROFIT

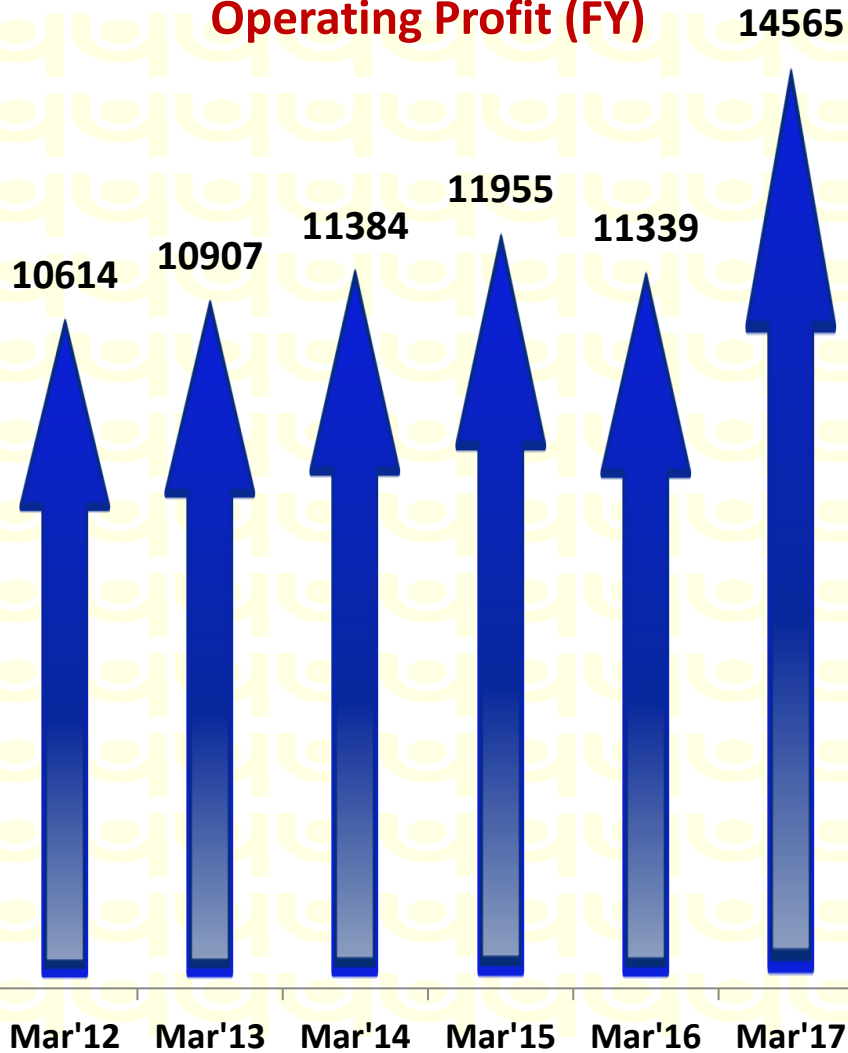
| Sl. | Parameters | Q4 FY 16 | Q3 FY 17 | Q4' FY 17 | YoY Gr. % | FY Mar'16 | FY Mar'17 | YoY Gr. % |
|-----|------------------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|
| 1 | Interest Income | 10824 | 11984 | 11887 | 9.8 | 47424 | 47276 | -0.3 |
| 2 | Interest Expenses | 8056 | 8253 | 8203 | 1.8 | 32113 | 32283 | 0.5 |
| 3 | NII (Spread) (1-2) | 2768 | 3731 | 3684 | 33.1 | 15312 | 14993 | -2.1 |
| 4 | Other Income | 1845 | 2140 | 3103 | 68.2 | 6000 | 8951 | 49.2 |
| 5 | Operating Income (3+4) | 4613 | 5871 | 6786 | 47.1 | 21312 | 23945 | 12.4 |
| 6 | Operating Expenses | 1992 | 3090 | 555 | -72.2 | 9972 | 9379 | -5.9 |
| 7 | Contribution (4-6) | -147 | -950 | 2548 | | -3972 | -428 | |
| 8 | Operating Profit (3+7) | 2621 | 2781 | 6232 | 137.8 | 11339 | 14565 | 28.4 |
| 9 | Provisions | 7987 | 2574 | 5970 | -25.3 | 15313 | 13240 | -13.5 |
| 10 | Net Profit | -5366 | 207 | 262 | | -3974 | 1325 | |



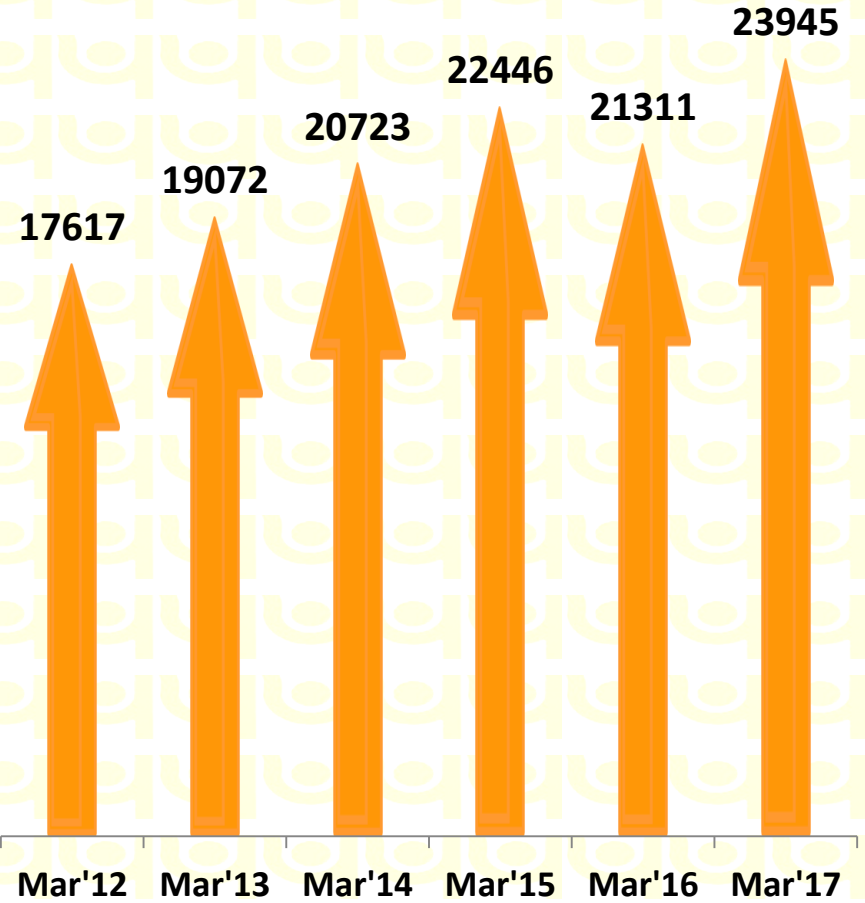
CONSISTENTLY HIGHER OPERATING PROFIT & OPERATING INCOME

Rs. Cr.

Operating Profit (FY)



Operating Income (FY)





PROVISIONS

| Sl. | Parameters | Q4 FY 16 | Q3 FY 17 | Q4 FY 17 | YoY Gr. % | FY Mar'16 | FY Mar'17 | YoY Gr. % |
|-----|--|-------------|-------------|-------------|--------------|--------------|--------------|--------------|
| 1 | Provision towards NPAs | 10773 | 2990 | 4910 | -54.4 | 17591 | 12704 | -27.8 |
| 2 | Standard Advances incl. Standard Restructured | -1019 | -393 | 79 | -107.7 | -1385 | -1203 | -13.1 |
| 3 | Depreciation on Investment | -80 | 130 | 208 | | 345 | 487 | 40.9 |
| 4 | Income Tax | -1890 | 11 | 217 | | -1763 | 687 | |
| 5 | Others | 203 | -164 | 556 | 173.8 | 524 | 567 | 8.1 |
| 6 | Total Provision | 7987 | 2574 | 5970 | -25.3 | 15313 | 13240 | -13.5 |

BREAK UP - NET INTEREST INCOME

Rs. Cr.

| Sl. | Parameters | Q4' FY 16 | Q3' FY 17 | Q4' FY 17 | YoY Gr. % | FY Mar'16 | FY Mar'17 | YoY Gr. % |
|-----|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1 | Interest Income (2+3+4) | 10824 | 11984 | 11887 | 9.8 | 47424 | 47276 | -0.3 |
| 2 | Interest on Advances | 7592 | 8263 | 7719 | 1.7 | 34446 | 32959 | -4.3 |
| 3 | Interest on Investments | 2980 | 3372 | 3511 | 17.8 | 12034 | 12577 | 4.5 |
| 4 | Other Interest Income | 251 | 349 | 657 | 161.4 | 945 | 1740 | 84.1 |
| 5 | Total Interest Paid (6+7+8) | 8056 | 8253 | 8203 | 1.8 | 32113 | 32283 | 0.5 |
| 6 | Intt. Paid on Deposits | 7448 | 7667 | 7659 | 2.8 | 29803 | 29934 | 0.4 |
| 7 | Intt. Paid on Borrowings | 51 | 42 | 52 | 1.7 | 250 | 242 | -3.5 |
| 8 | Others | 557 | 544 | 492 | -11.6 | 2060 | 2108 | 2.3 |
| 9 | NII (Spread) (1-5) | 2768 | 3731 | 3684 | 33.1 | 15312 | 14993 | -2.1 |

BREAK-UP : FEE BASED INCOME

| Sl. | Parameters | Q4 FY 16 | Q3 FY 17 | Q4 FY 17 | YoY Gr. % | FY Mar'16 | FY Mar'17 | YoY Gr. % |
|-----|--------------------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|
| 1 | Processing Fees | 133 | 106 | 178 | 34.4 | 606 | 774 | 27.7 |
| 2 | LC/LG Income | 197 | 183 | 223 | 13.3 | 727 | 756 | 4.0 |
| 3 | Bills & Remittance | 110 | 107 | 100 | -9.5 | 473 | 430 | -9.2 |
| 4 | Incidental Charges | 53 | 118 | 69 | 30.6 | 194 | 259 | 34.0 |
| 5 | Inc. from ATM operations | 118 | 131 | 157 | 33.3 | 402 | 501 | 24.6 |
| 6 | Income from Ins. & MF | 42 | 34 | 52 | 24.3 | 114 | 142 | 24.2 |
| 7 | Govt. Business | 33 | 23 | 76 | 131.7 | 103 | 147 | 43.3 |
| 8 | Misc. Income | 125 | 207 | 110 | -12.0 | 423 | 496 | 17.3 |
| 9 | Exchange Profit | 109 | 145 | 146 | 33.6 | 427 | 583 | 36.5 |
| | Fee Based Income | 920 | 1055 | 1112 | 20.9 | 3470 | 4089 | 17.8 |

COST & YIELD RATIOS

| Sl. | Particulars | FY Mar'16 | FY Mar'17 |
|-----|-------------------------|--------------|--------------|
| 1 | Cost of Deposit [%] | 5.85 | 5.33 |
| 2 | Cost of Fund [%] | 4.93 | 4.60 |
| 3 | Yield on Advances [%] | 9.10 | 8.29 |
| 4 | Yield on Investment [%] | 7.94 | 7.69 |
| 5 | Yield on Fund [%] | 7.28 | 6.74 |
| 6 | Net Interest Margin [%] | | |
| | -Global | 2.60 | 2.38 |
| | -Domestic | 2.95 | 2.69 |

PROFITABILITY RATIOS

| Sl. | Particulars | FY Mar'16 | FY Mar'17 |
|-----|------------------------------|--------------|--------------|
| 1 | Return on Assets [%] | Negative | 0.19 |
| 2 | Return on Net worth [%] | Negative | 3.52 |
| 3 | Opt. Profit to AWF [%] | 1.74 | 2.08 |
| 4 | Cost to Income Ratio [%] | 46.79 | 41.57* |
| 5 | Estb. Exp. To Total Exp. [%] | 15.27 | 12.36* |
| 6 | Opt. Exp. To AWF [%] | 1.53 | 1.34 |
| 7 | Book Value per Share [Rs] | 180.61 | 177.03 |
| 8 | Earnings per share [Rs] | Negative | 6.45 |

*Net of Extra ordinary items

CONTENTS

Business

Profitability

Treasury Operations

Asset Quality

Capital & Shareholding

PAN India Presence

Digitalization

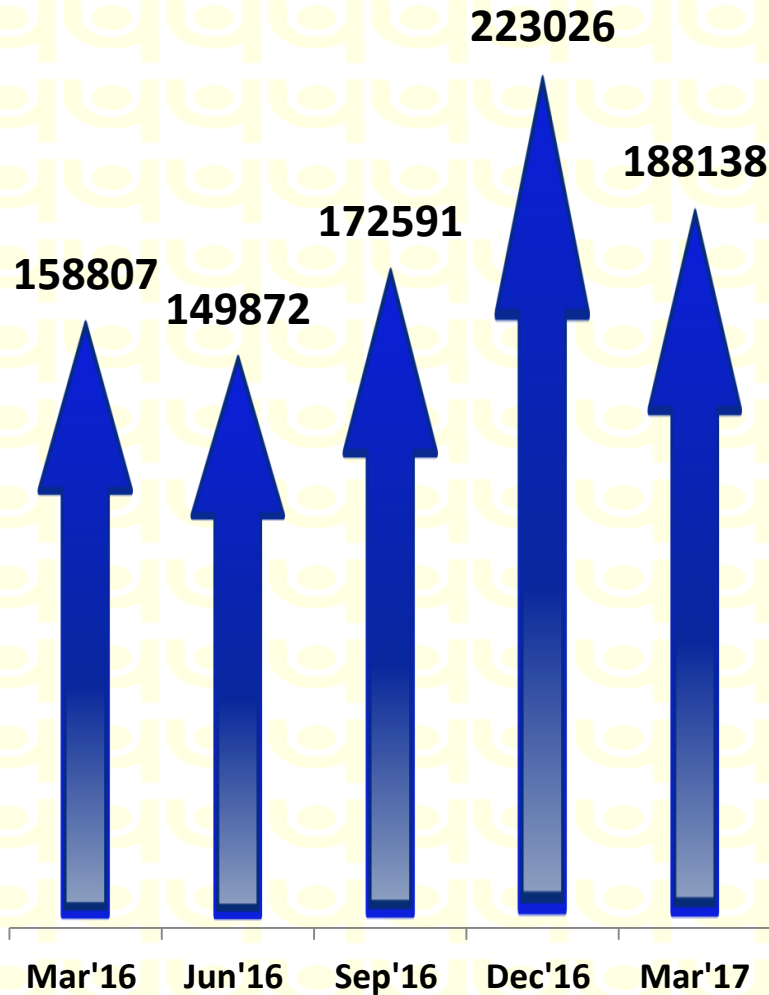
Way Forward



TREASURY OPERATIONS

Rs. Cr.

Investment Portfolio



| Parameters | Mar'16 | Mar'17 |
|---------------------------------|---------------|---------------|
| Gross Domestic Investment | 154727 | 183297 |
| SLR | 119364 | 144417 |
| Non SLR | 35363 | 38880 |
| Held To Maturity (HTM) | 100410 | 116117 |
| Available For Sale (AFS) | 53909 | 65606 |
| Held For trading (HFT) | 408 | 1574 |
| Investment by Overseas Branches | 4080 | 4841 |
| Total (Global) | 158807 | 188138 |

CONTENTS

Business

Profitability

Treasury Operations

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Capital & Shareholding

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Digitalization

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STRATEGIC FOCUS-RESOLUTION OF NPAs

Intensification of War Room Efforts

JLF mechanism Strengthened – Flexible Approach

Recovery through Gandhi-Giri

Accelerated Pace of Reduction

Focus on e-auctions of collaterals

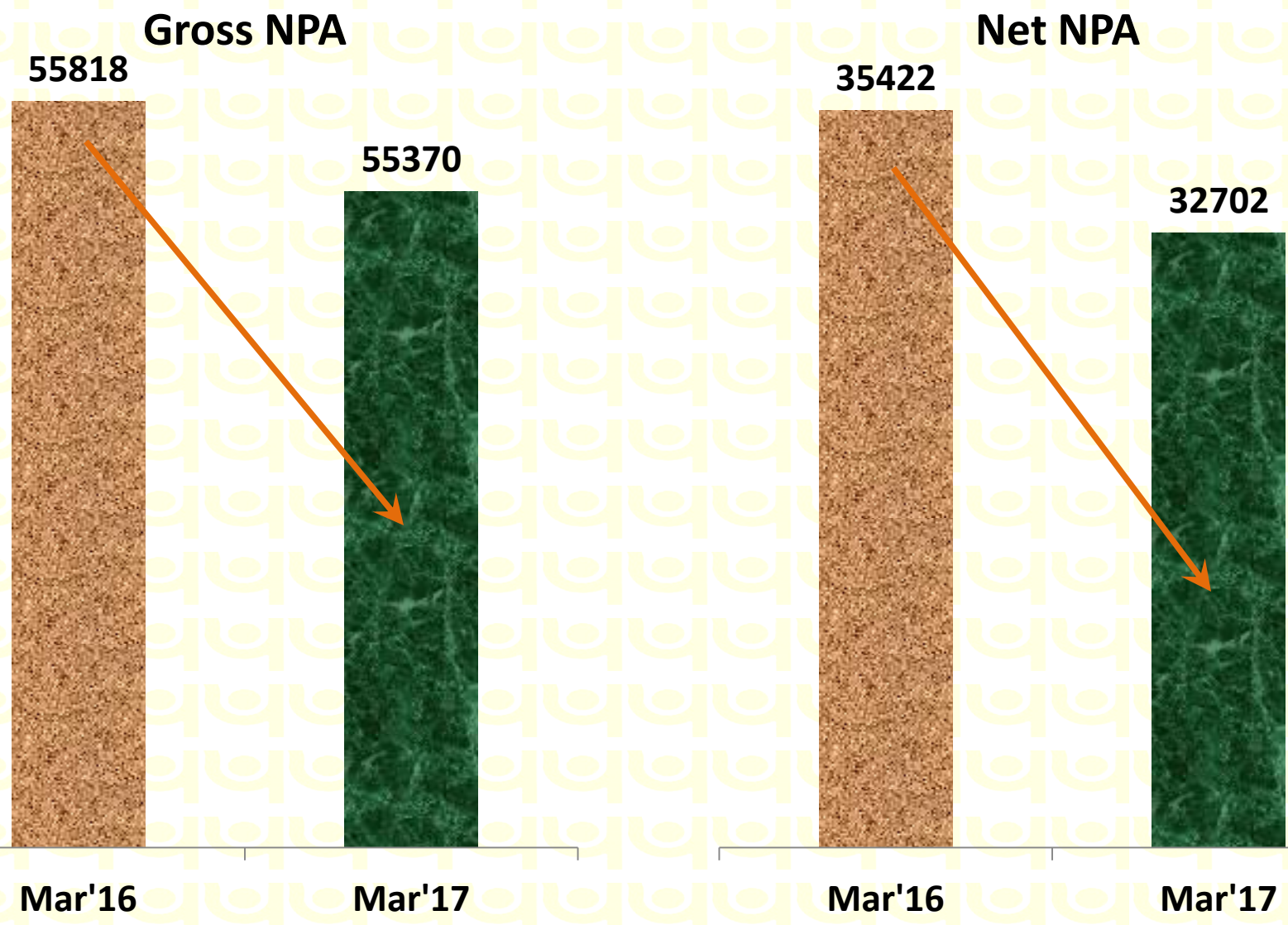
NON-PERFORMING ASSETS

| Parameter | Mar'15 | Mar'16 | Mar'17 |
|---|---------------|---------------|---------------|
| NPA as at the beginning of Year | 18880 | 25695 | 55818 |
| Cash Recovery | 1958 | 4262 | 10677 |
| Up-gradation | 1000 | 1382 | 2981 |
| Write-Off | 5920 | 6485 | 9205 |
| Total Reduction | 8878 | 12129 | 22863 |
| Fresh slippages | 15692 | 42252 | 22415 |
| Gross NPAs (Closing) | 25694 | 55818 | 55370 |
| Eligible Deductions incl. Provisions | 10298 | 20396 | 22668 |
| Net NPAs | 15397 | 35423 | 32702 |



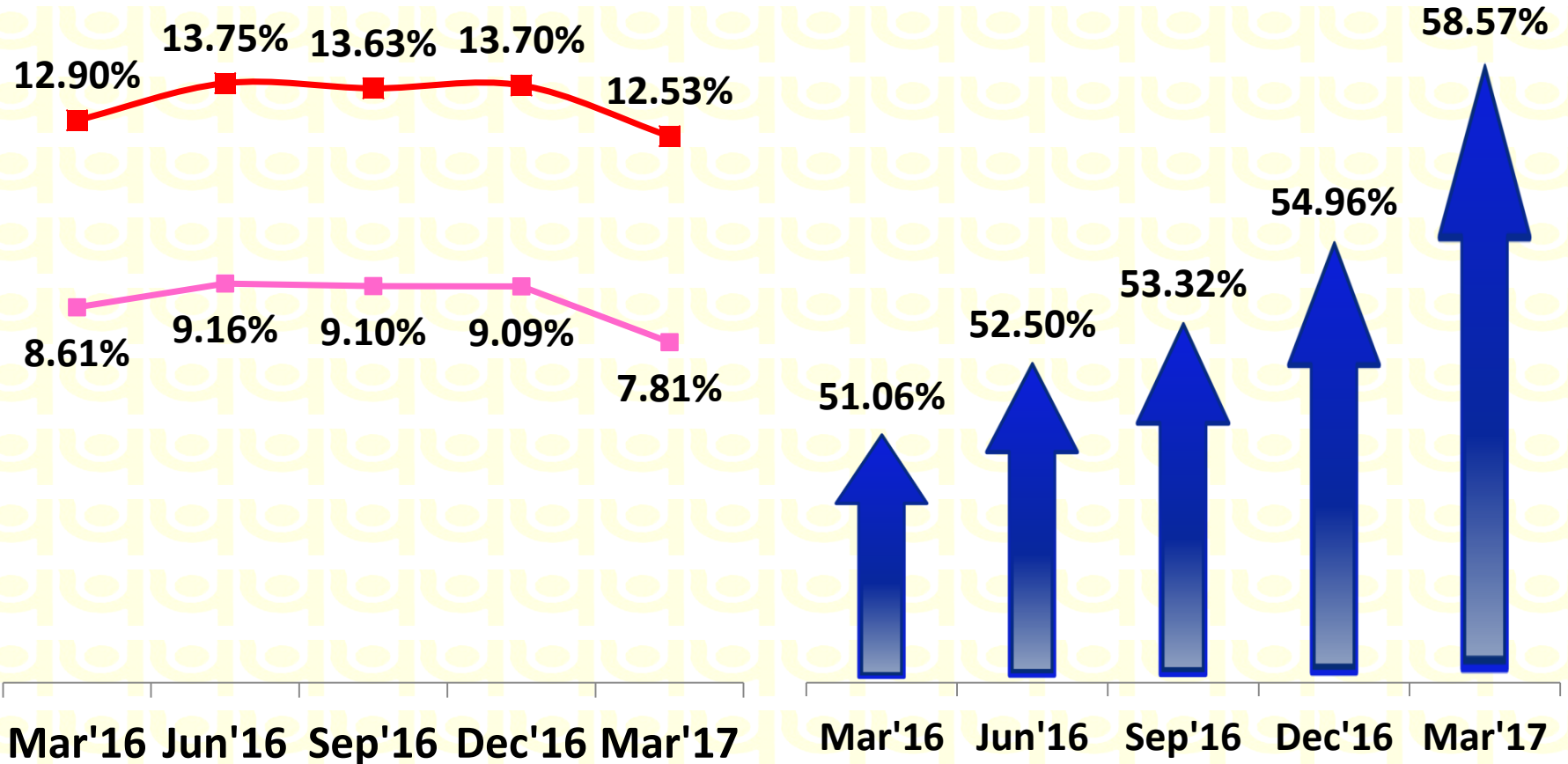
DECLINING GNPA & NNPA

Rs. Cr.



DECLINING NPA AND IMPROVING PCR

■ GNPA %
 ■ Net NPAs %
 ↑ Provision Coverage Ratio

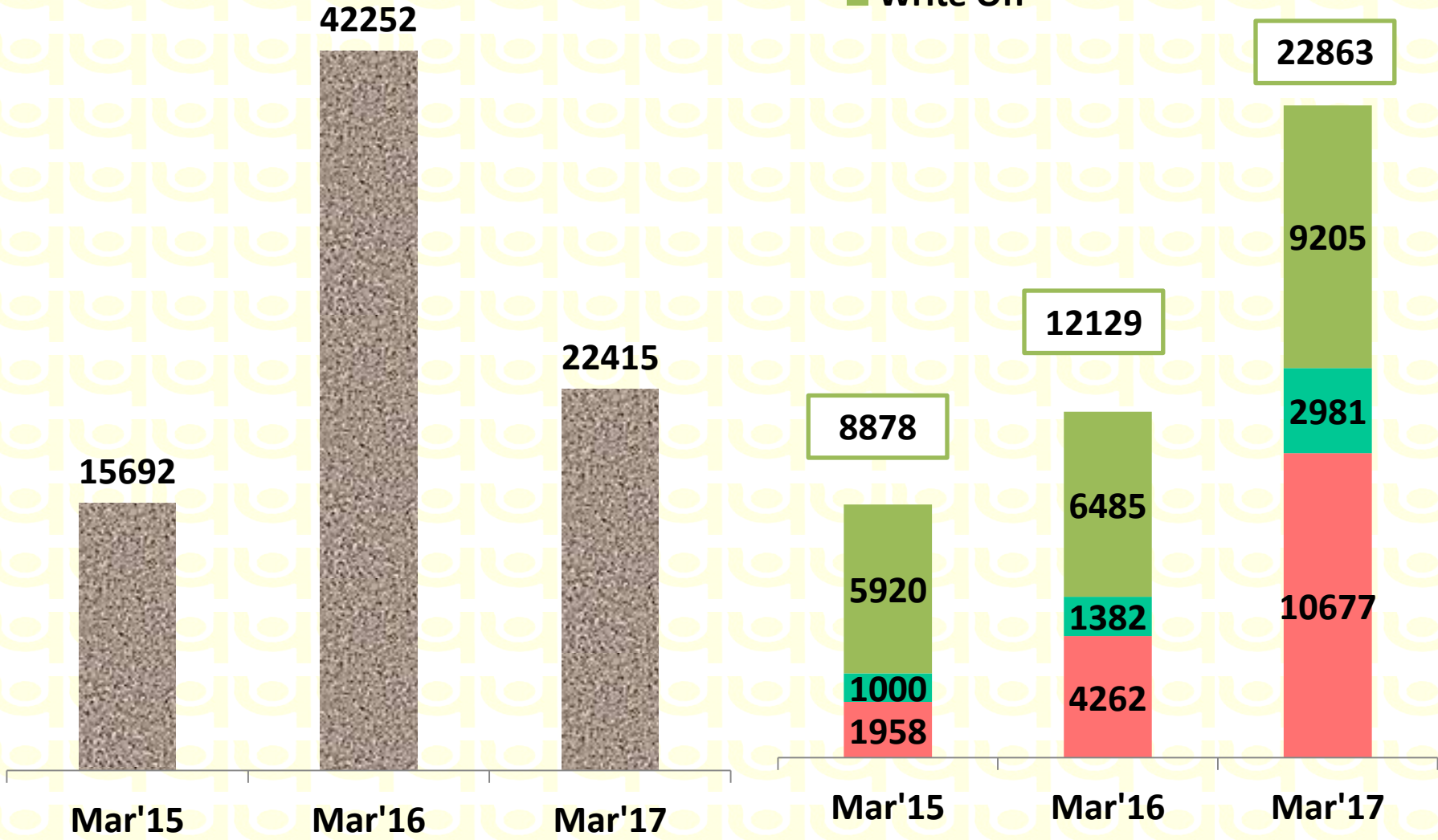


REDUCTIONS OUTPACED FRESH SLIPPAGES

Rs. Cr.

Fresh slippages

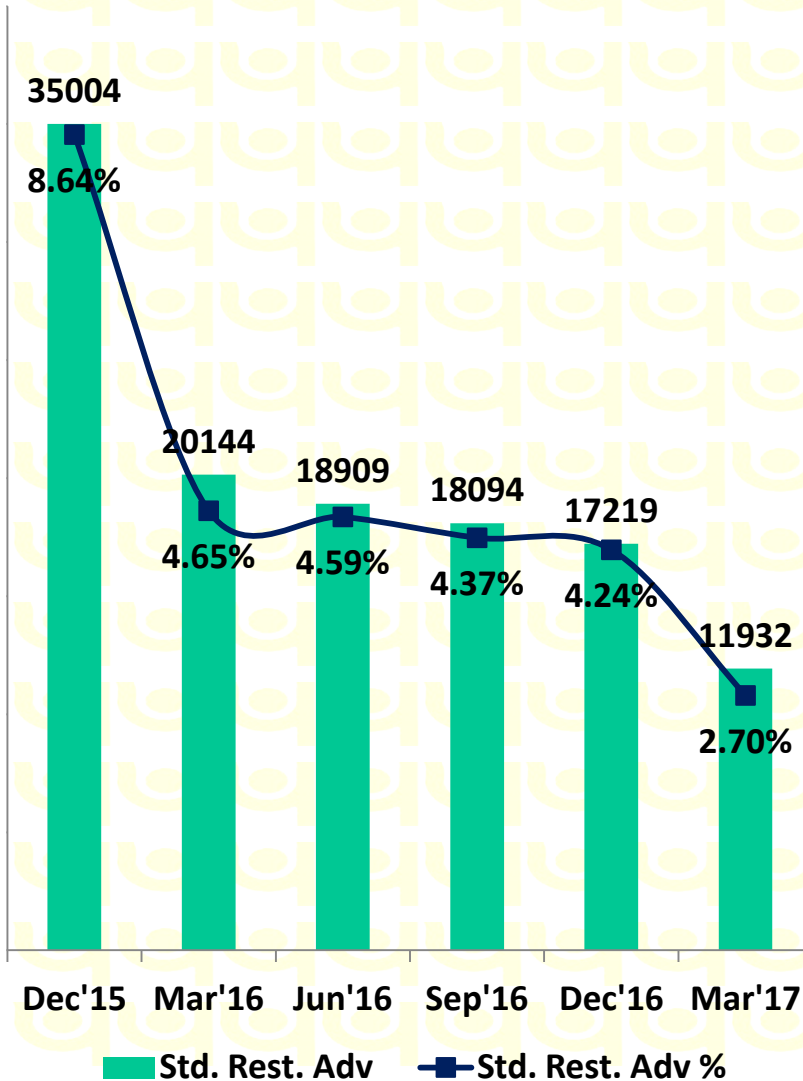
■ Cash Recovery
 ■ Up-gradation
 ■ Write Off



INDUSTRY WISE O/S RESTRUCTURED ACCOUNTS

Rs. Cr.

Standard Restructured Adv.



| | Mar'16 | | Mar'17 | |
|--------------------------------------|--------------|-------------|--------------|-------------|
| | Amt. | Share % | Amt. | Share % |
| Power | 5635 | 30.95% | 2865 | 22.4% |
| Road and Port | 2879 | 15.81% | 1572 | 12.3% |
| Sugar | 1391 | 7.64% | 1331 | 10.4% |
| Iron & Steel | 2562 | 14.07% | 1300 | 10.2% |
| construction | 1181 | 6.49% | 830 | 6.5% |
| Others | 470 | 2.58% | 873 | 6.8% |
| Cement | 357 | 1.96% | 355 | 2.8% |
| Textiles | 1000 | 5.49% | 350 | 2.7% |
| Telecom | 263 | 1.44% | 249 | 1.9% |
| Chemical/Fertiliser/ Drugs/others | 613 | 3.37% | 213 | 1.7% |
| Hotel | 409 | 2.25% | 157 | 1.2% |
| Services | 373 | 2.05% | 124 | 1.0% |
| Total | 18208 | 100% | 11932 | 100% |



CONTENTS

Business

Profitability

Treasury Operations

Asset Quality

Capital & Shareholding

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Way Forward

CAPITAL ADEQUACY (BASEL III)

| Sl. | Particulars | Mar'16 | Dec'16 | Mar'17 |
|-----|----------------------|--------|--------|--------|
| 1 | Tier I | 35718 | 38912 | 40575 |
| | Common Equity | 33435 | 36569 | 35845 |
| | Additional Tier I | 2283 | 2343 | 4730 |
| 2 | Tier II | 12203 | 12258 | 12534 |
| 3 | Total (Tier I+II) | 47921 | 51170 | 53109 |
| 4 | Risk-weighted Assets | 424868 | 440424 | 455608 |
| | | | | |
| 1 | Tier I | 8.41% | 8.84% | 8.91% |
| | Common Equity | 7.87% | 8.31% | 7.87% |
| | Additional Tier I | 0.54% | 0.53% | 1.04% |
| 2 | Tier II | 2.87% | 2.78% | 2.75% |
| 3 | Total (Tier I+II) | 11.28% | 11.62% | 11.66% |

CAPITAL OPTIMIZATION AND CONSERVATION

(Rs. Cr.)

Composition of RWAs

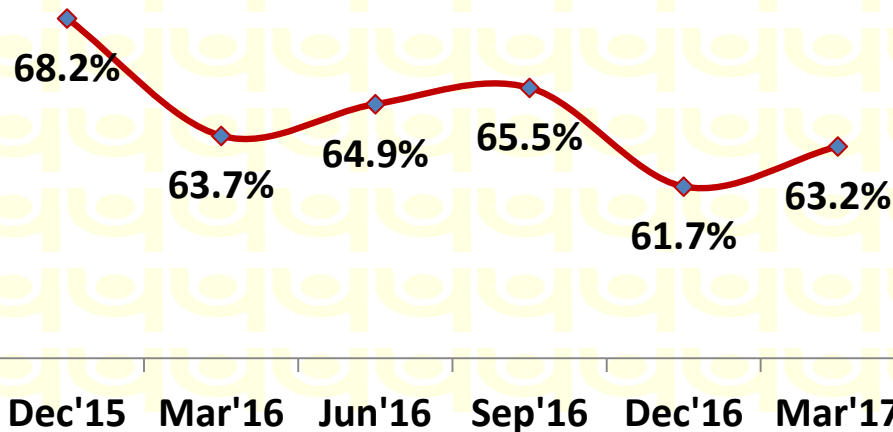
| | Mar'16 | Dec'16 | Mar'17 |
|--------------|--------|--------|--------|
| Credit | 351735 | 360479 | 372075 |
| Market | 34508 | 41584 | 45147 |
| Operational | 38625 | 38361 | 38386 |
| Total RWAs | 424868 | 440424 | 455608 |
| Total Assets | 667390 | 713975 | 720331 |

Capital Optimization

- ✓ Capital Conservation through Sale of Non-Core Asset and optimization of RWAs are under sharp focus
- ✓ Preparedness to shore up Tier I Capital
- ✓ Option to raise Additional Tier I is always available
- ✓ Integration of Business Plan with Capital Planning by Zone wise allocation of Capital.

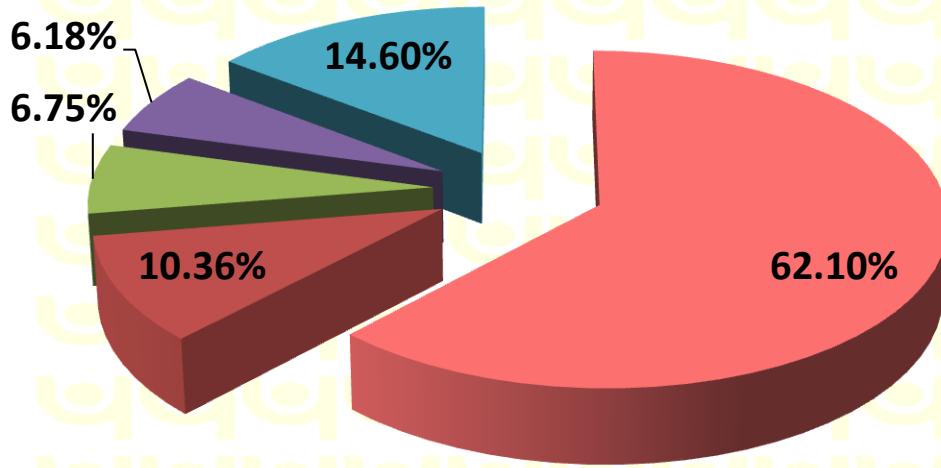
Improving RWAs Density

RWAs to Total Assets Ratio

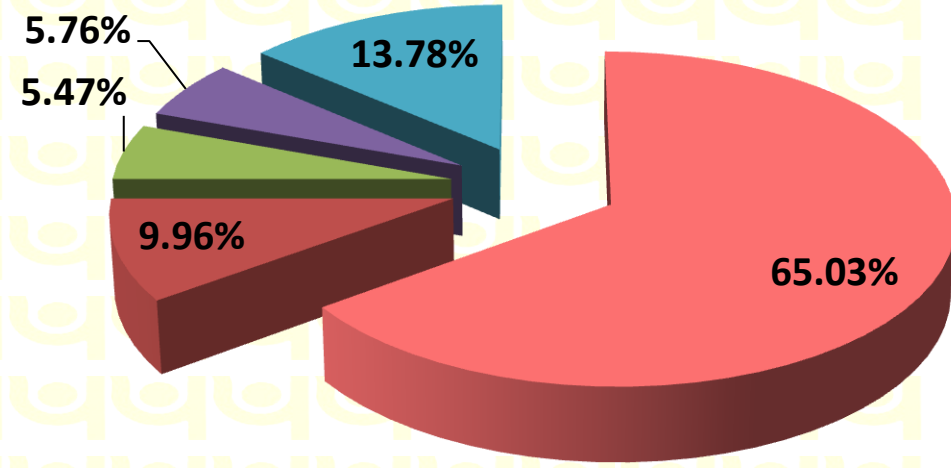


SHARE HOLDING PATTERN

Mar'16



Mar'17



- GOVT. (CENTRAL/STATE)
- FIIs
- NON-INSTITUTIONS
- MF & UTI
- FIs/BANKS/INSURANCE

| | Mar'16 | Mar'17 |
|-----------------------|--------|--------|
| GOVT. (CENTRAL/STATE) | 62.10% | 65.03% |
| FIIs | 10.36% | 9.96% |
| NON-INSTITUTIONS | 6.75% | 5.47% |
| MF & UTI | 6.18% | 5.76% |
| FIs/BANKS/INSURANCE | 14.60% | 13.78% |
| Total | 100% | 100% |

CONTENTS

Business

Profitability

Treasury Operations

Asset Quality

Capital & Shareholding

PAN India Presence

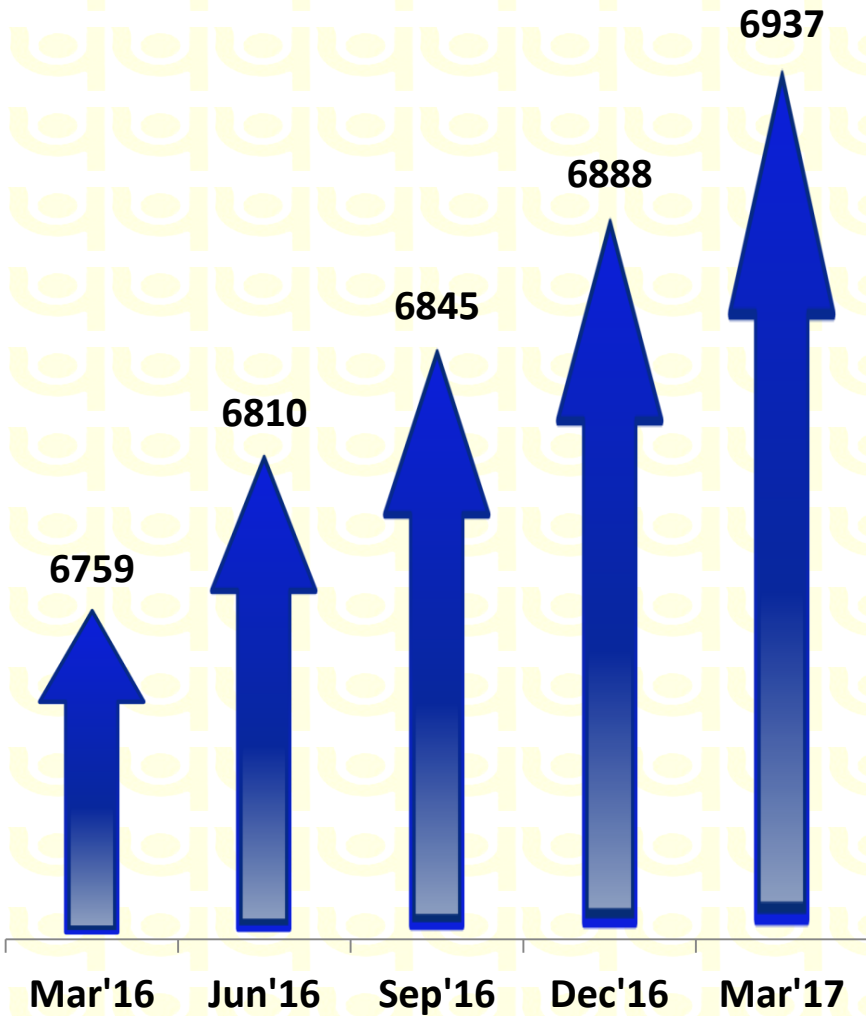
Digitalization

Way Forward

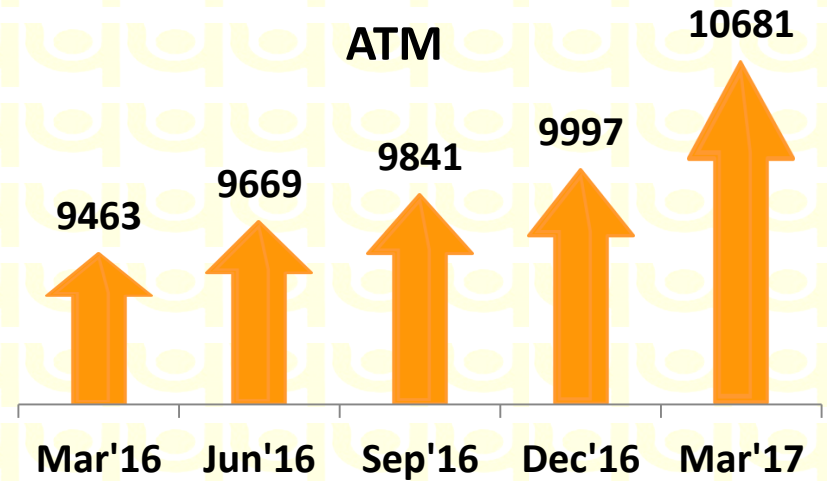


NETWORK

Branches



ATM



Overseas Presence

| Type of office | Destination |
|---------------------------|--|
| Branches (4) | Mumbai, Hong Kong Main, Kowloon Hong Kong, DIFC, Dubai |
| Subsidiary (3) | PNBIL, UK (7 branches), DRUK PNB Ltd., Bhutan (6 Branches), One Associate at JSC SB PNB, Kazakhstan (4 Branches) |
| Joint Venture (1) | Everest Bank Limited, Kathmandu, Nepal (61 Branches), Bank also provides Managerial Support to EBL. |
| Representative Office (4) | Shanghai(China), Dubai (UAE), Sydney (Australia), Dhaka (Bangladesh) |

CONTENTS

Business

Profitability

Treasury Operations

Asset Quality

Capital & Shareholding

PAN India Presence

Digitalization

Way Forward

TECHNOLOGICAL UP-GRADATION : FINACLE

Up-gradation of CBS Technology to Finacle 10

01

**Web Based and
Customer Friendly
Banking**

02

**Integration of existing
Network with Gen
Next Apps.**

03

**Digital
Intensification**

FAST PACE OF DIGITALIZATION

No. of Transaction in Lacs

Internet Banking

371

187



FY'16

FY'17

Mobile Banking

181

174



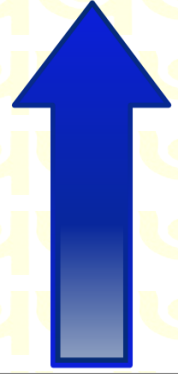
FY'16

FY'17

POS & E-Comm

1008

695



FY'16

FY'17

ECS

109

101



FY'16

FY'17

RTGS

249

42



FY'16

FY'17

NEFT

1986

1743



FY'16

FY'17

RECENT DIGITAL LAUNCHES



**PNB
Genie**



**PNB
Parivar**



**PNB Toll
Tax**



PEOPLE DEVELOPMENT



An On boarding & Mentoring Program titled “PNB Navodaya” has been introduced for newly recruited employees as well as for those recently promoted and first time Branch Heads.



The process of Competency Mapping of critical roles has been initiated with a view to identify and develop key competencies in the employees. For assessment of demonstrated competencies, Behavioral event interview have been used in this year promotional process from Scale V-VI and Scale VI-VII.



An Online Duty Sheet Management System titled “e-Duty Sheet” has been introduced to digitalize the process of ‘Duty Sheet Assignment’ to employees and make it easier, uniform and efficient.

CONTENTS

Business

Profitability

Treasury Operations

Asset Quality

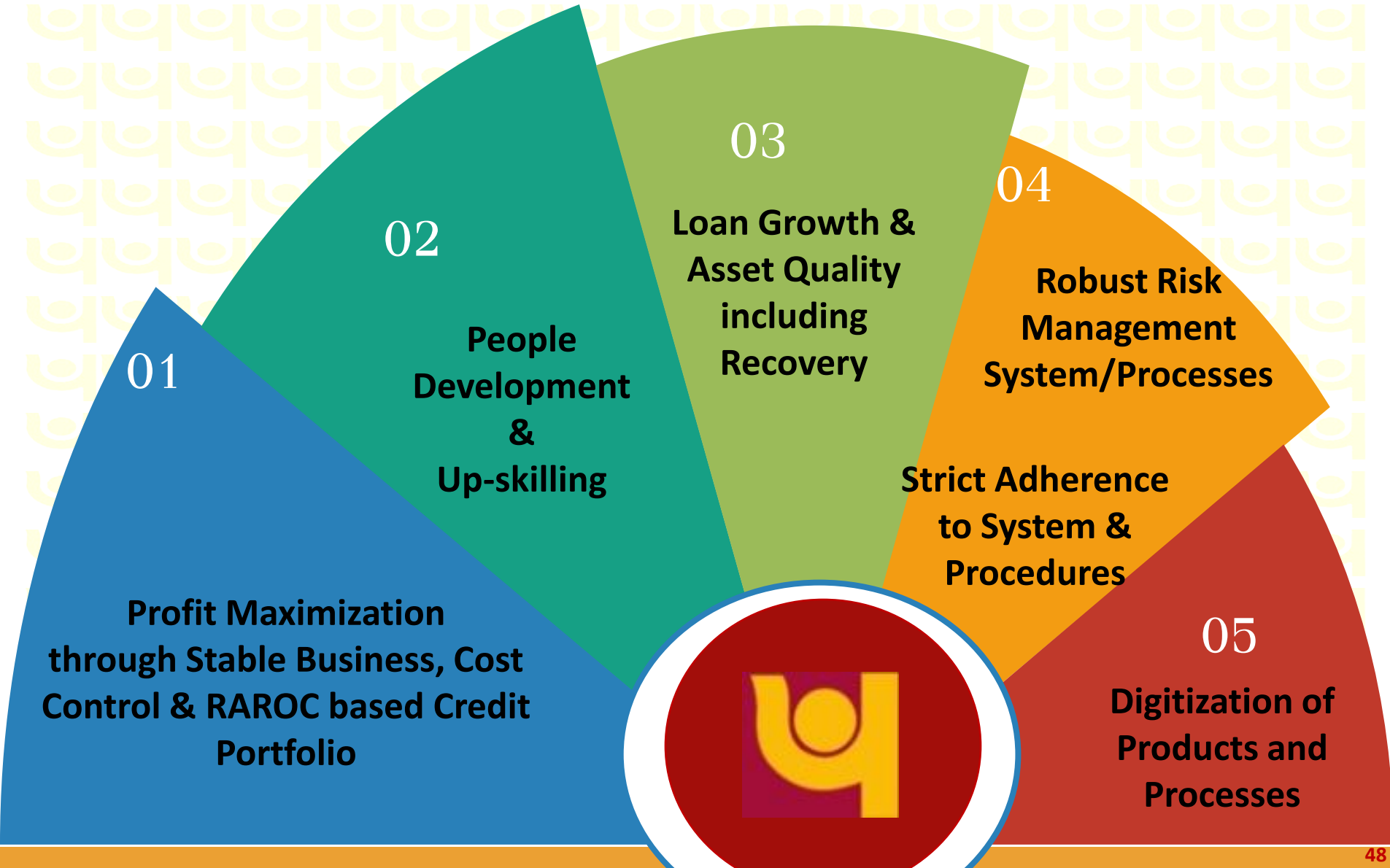
Capital & Shareholding

PAN India Presence

Digitalization

Way Forward

WAY AHEAD





thank
you!