



ਪੰਜਾਬ ਨੈਸ਼ਨਲ ਬੈਂਕ



punjab national bank

Share Department, Board & Coordination Division, HO Plot No.4 Sector 10, Dwarka, New Delhi-110075
Tel No: 011-28044857 E-mail: hosd@pnb.co.in

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

Date: 02.11.2020

Dear Sir (s),

Reg.: Outcome of the Board Meeting - Approval of Unaudited/Reviewed Financial Results for the quarter/half year ended 30th September, 2020.

The Exchange is hereby informed that the Board of Directors of the Bank, in its meeting held today i.e. 02.11.2020, considered and approved the Unaudited/Reviewed Financial Results (Standalone & Consolidated) of the Bank for the quarter/half year ended 30th September, 2020.

The Board Meeting commenced at 03:30 p.m. and concluded at 04:55 p.m.

The copy of the Standalone and Consolidated Unaudited/Reviewed Financial Results along with Limited Review Report in the prescribed formats is enclosed. The Quarterly/Half yearly Financial Results shall also be placed on Bank's website (www.pnbindia.in).

We request you to please take note of the results in terms of Regulation 33 of the SEBI (LODR) Regulations 2015.

Further disclosure of statement of deviation(s) or variation(s) under regulation 32(1) of SEBI (LODR) Regulations, 2015 is not applicable and the disclosure under regulation 52 (7) of SEBI (LODR) Regulations, 2015 is being given separately.

Thanking you

Yours faithfully,


(Ekta Pasricha)
Company Secretary





PUNJAB NATIONAL BANK

FINANCIAL RESULTS (REVIEWED) FOR THE QUARTER / HALF YEAR ENDED 30th SEPTEMBER, 2020

Rs. In lacs

| S.No. | Particulars | STANDALONE | | | | | | CONSOLIDATED | | | | | |
|----------|---|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|
| | | Quarter Ended | | | Half-Year Ended | | Year Ended | Quarter Ended | | | Half-Year Ended | | Year Ended |
| | | 30.09.2020 | 30.06.2020 | 30.09.2019* | 30.09.2020 | 30.09.2019* | 31.03.2020* | 30.09.2020 | 30.06.2020 | 30.09.2019* | 30.09.2020 | 30.09.2019* | 31.03.2020* |
| | Reviewed | Reviewed | Reviewed | Reviewed | Reviewed | Audited | Reviewed | Reviewed | Reviewed | Reviewed | Reviewed | Audited | |
| 1 | Interest Earned (a+b+c+d) | 2094584 | 2060491 | 1329192 | 4155075 | 2637836 | 5380003 | 2130431 | 2083223 | 1355056 | 4213654 | 2687753 | 5491847 |
| | a) Interest / discount on advances / bills | 1401123 | 1391878 | 887632 | 2793001 | 1775672 | 3581496 | 1416212 | 1392449 | 895903 | 2808661 | 1790876 | 3615625 |
| | b) Income on Investments | 625854 | 606013 | 375524 | 1231867 | 737539 | 1533260 | 646502 | 627990 | 393670 | 1274492 | 772323 | 1609374 |
| | c) Interest on Balances with RBI & other inter bank funds | 51183 | 49394 | 62383 | 100577 | 116941 | 251022 | 51294 | 49578 | 62284 | 100872 | 117431 | 253073 |
| | d) Others | 16424 | 13206 | 3653 | 29630 | 7684 | 14225 | 16423 | 13206 | 3199 | 29629 | 7123 | 13775 |
| 2 | Other Income | 249272 | 368789 | 226469 | 618061 | 433999 | 927413 | 253982 | 389549 | 229321 | 643531 | 439316 | 938766 |
| A | TOTAL INCOME (1+2) | 2343856 | 2429280 | 1555661 | 4773136 | 3071835 | 6307416 | 2384413 | 2472772 | 1584376 | 4857185 | 3127069 | 6430613 |
| 3 | Interest Expended | 1255264 | 1385648 | 902808 | 2640912 | 1797316 | 3636224 | 1274533 | 1394912 | 918284 | 2669445 | 1827019 | 3699747 |
| 4 | Operating Expenses (a+b) | 521101 | 515627 | 296658 | 1036728 | 570182 | 1197337 | 526074 | 521055 | 300601 | 1047129 | 577783 | 1215050 |
| | (a) Employees Cost | 324125 | 330717 | 167476 | 654842 | 335645 | 696168 | 327163 | 333624 | 169594 | 660787 | 339782 | 706002 |
| | (b) Other operating expenses (All items exceeding 10% of the total expenditure excluding interest expenditure may be shown separately) | 196976 | 184910 | 129182 | 381886 | 234537 | 501169 | 198911 | 187431 | 131007 | 386342 | 238001 | 509048 |
| B | TOTAL EXPENDITURE (3+4) (excluding provisions & contingencies) | 1776365 | 1901275 | 1199466 | 3677640 | 2367498 | 4833561 | 1800607 | 1915967 | 1218885 | 3716574 | 2404802 | 4914797 |
| C | Operating Profit (A-B) (before Provisions & Contingencies) | 567491 | 528005 | 356195 | 1095496 | 704337 | 1473855 | 583806 | 556805 | 365491 | 1140611 | 722267 | 1515816 |
| D | Provisions (other than tax) and contingencies | 469615 | 468589 | 292890 | 938204 | 495221 | 1399956 | 489884 | 473869 | 309356 | 963753 | 516867 | 1433114 |
| | of which provisions for Non Performing Assets | 381117 | 483640 | 325332 | 864757 | 540045 | 1446408 | 404698 | 488065 | 335110 | 892763 | 555059 | 1471578 |
| E | Exceptional items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F | Profit / (Loss) from ordinary activities before tax (C-D-E) | 97876 | 59416 | 63305 | 157292 | 209116 | 73899 | 93922 | 82936 | 56135 | 176858 | 205400 | 82702 |
| G | Provision for Taxes (Tax Expenses) | 35795 | 28571 | 12600 | 64366 | 40279 | 39456 | 35417 | 13132 | 74873 | 59174 | 46368 | |
| H | Net Profit (+)/Loss(-) from ordinary activities after tax (F-G) | 62081 | 30845 | 50705 | 92926 | 152568 | 33620 | 54466 | 47519 | 43003 | 101985 | 146226 | 36334 |
| I | Extraordinary items (net of tax expense) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| J | Net Profit / (Loss) for the period (H-I) | 62081 | 30845 | 50705 | 92926 | 152568 | 33620 | 54466 | 47519 | 43003 | 101985 | 146226 | 36334 |
| K | Share in profit of associates | | | | | | | 6366 | 11550 | 14174 | 17916 | 19457 | 12159 |
| L | Share of minority | | | | | | | 3216 | 5298 | 203 | 8514 | 1293 | 4648 |
| | Net Profit / (Loss) after minority interest (J+K-L) | 62081 | 30845 | 50705 | 92926 | 152568 | 33620 | 57616 | 53771 | 56974 | 111387 | 164390 | 43845 |
| 5 | Paid up equity Share Capital (Face value Rs. 2/-each) | 188213 | 188213 | 92081 | 188213 | 92081 | 134751 | 188213 | 188213 | 92081 | 188213 | 92081 | 134751 |
| 6 | Reserves excluding revaluation reserves (as per Balance sheet of previous year) | | | | | | 5625128 | | | | | | 5777017 |
| 7 | Analytical Ratios | | | | | | | | | | | | |
| | (i) Share holding of Govt. of India (%) | 85.59 | 85.59 | 75.41 | 85.59 | 75.41 | 83.19 | 85.59 | 85.59 | 75.41 | 85.59 | 75.41 | 83.19 |
| | (ii) Capital Adequacy Ratio - Basel-III (%) | 12.84 | 12.63 | 14.07 | 12.84 | 14.07 | 14.14 | 13.17 | 13.01 | 14.30 | 13.17 | 14.30 | 14.50 |
| | a) CET 1 Ratio (%) | 9.53 | 9.44 | 10.94 | 9.53 | 10.94 | 10.69 | 9.82 | 9.77 | 11.09 | 9.82 | 11.09 | 10.98 |
| | b) Additional Tier 1 Ratio (%) | 0.80 | 0.81 | 1.24 | 0.80 | 1.24 | 1.21 | 0.82 | 0.85 | 1.28 | 0.82 | 1.28 | 1.25 |
| | (iii) Earnings per Share (EPS) not annualized (in Rs) | | | | | | | | | | | | |
| | (a) Basic and diluted EPS before extraordinary items | 0.66 | 0.33 | 1.10 | 0.99 | 3.31 | 0.62 | 0.61 | 0.57 | 1.24 | 1.18 | 3.57 | 0.80 |
| | (b) Basic and diluted EPS after extraordinary items | 0.66 | 0.33 | 1.10 | 0.99 | 3.31 | 0.62 | 0.61 | 0.57 | 1.24 | 1.18 | 3.57 | 0.80 |
| | (iv) NPA Ratios: | | | | | | | | | | | | |
| | (a) Amount of Gross NPAs | 9631394 | 10184934 | 7945809 | 9631394 | 7945809 | 7347876 | | | | | | |
| | (b) Amount of Net NPAs | 3091984 | 3530302 | 3265869 | 3091984 | 3265869 | 2721889 | | | | | | |
| | (c) % of Gross NPAs | 13.43 | 14.11 | 16.76 | 13.43 | 16.76 | 14.21 | | | | | | |
| | (d) % of Net NPAs | 4.75 | 5.39 | 7.65 | 4.75 | 7.65 | 5.78 | | | | | | |
| | (v) Return on Assets (Annualised) % | 0.19 | 0.09 | 0.24 | 0.14 | 0.37 | 0.04 | | | | | | |

*Figures are related to Bank's financials for pre-amalgamation period, hence not comparable with post amalgamation financials as on 30th September, 2020.





PUNJAB NATIONAL BANK

SUMMARISED STATEMENT OF ASSETS AND LIABILITIES

(Rs in Lacs)

| Particulars | Standalone | | | | Consolidated | | | |
|--|--------------------------|--------------------------|---------------------------|--------------------------|--------------------------|--------------------------|---------------------------|--------------------------|
| | 30.09.2020 (Reviewed) | 30.06.2020 (Reviewed) | 30.09.2019* (Reviewed) | 31.03.2020* (Audited) | 30.09.2020 (Reviewed) | 30.06.2020 (Reviewed) | 30.09.2019* (Reviewed) | 31.03.2020* (Audited) |
| CAPITAL & LIABILITIES | | | | | | | | |
| Capital | 188213 | 188213 | 92081 | 134751 | 188213 | 188213 | 92081 | 134751 |
| Reserves & Surplus | 8507496 | 8440750 | 4706000 | 6100997 | 8646735 | 8594696 | 4721827 | 6252885 |
| Share Application Pending Allotment | | | 1609100 | | | | 1609100 | |
| Minority Interest | | | | | 43026 | 40598 | 33349 | 36069 |
| Deposits | 106974707 | 107491709 | 69578208 | 70384632 | 107650137 | 108159442 | 70142690 | 71025437 |
| Borrowings | 4573117 | 4447062 | 3256171 | 5022543 | 5961451 | 5942639 | 4382009 | 6251241 |
| Other Liabilities and Provisions | 2469037 | 2672321 | 1383683 | 1423668 | 2526718 | 2712587 | 1406497 | 1445342 |
| TOTAL | 122712570 | 123240055 | 80625243 | 83066591 | 125016280 | 125638175 | 82387553 | 85145725 |
| ASSETS | | | | | | | | |
| Cash & Balances with Reserve Bank of India | 6859281 | 3617365 | 3785817 | 3839785 | 6895476 | 3649160 | 3805214 | 3860379 |
| Balances with Banks & Money at Call & Short Notice | 3520457 | 7172187 | 5823825 | 3759518 | 3647480 | 7312083 | 5916419 | 3915196 |
| Investments | 39175424 | 38975356 | 23913174 | 24046564 | 40712749 | 40487596 | 25021030 | 25378247 |
| Advances | 65266269 | 65619714 | 42790289 | 47182772 | 65788255 | 66134431 | 43268528 | 47685334 |
| Fixed Assets | 1085285 | 1098710 | 735279 | 723907 | 1087895 | 1101505 | 737524 | 726198 |
| Other Assets | 6805854 | 6756723 | 3576859 | 3514045 | 6884425 | 6953400 | 3638838 | 3580371 |
| TOTAL | 122712570 | 123240055 | 80625243 | 83066591 | 125016280 | 125638175 | 82387553 | 85145725 |

*Figures are related to Bank's financials for pre-amalgamation period, hence not comparable with post amalgamation financials as on 30th September, 2020.

Notes forming part of Standalone and Consolidated Financial results for the quarter/half-year ended September 30, 2020: -

- The financial results for the quarter/half-year ended 30th September, 2020 have been prepared in accordance with AS-25 Interim Financial Reporting issued by ICAI, following the same Accounting Policies and practices as those followed in the annual financial statements for the year ended 31st March, 2020, except appropriation of recoveries in NPA accounts.

During the quarter and half year ended September 30, 2020, the Bank has changed its Accounting Policy for appropriation of recovery in NPA accounts from the earlier policy of appropriating recovery first against charges recorded then principal advance amount and balance towards recorded/derecognised interest income, to the new policy of appropriation of recovery first against the charges recorded, followed by Recorded Interest/Derecognised Interest and balance against the principal. This change in Accounting Policy has resulted in increase in Profit before Tax by Rs.271.46 crore and corresponding increase in Net Advances by the even amount.



- The Government of India (GoI), Ministry of Finance, Department of Financial Services has issued Gazette Notification no. CG-DL-E- 04032020-216535 dated 4th March, 2020, approving the scheme of Amalgamation of Oriental Bank of Commerce and United Bank of India into Punjab National Bank in exercise of the powers conferred by Section 9 of the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 and Section 9 of the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1980. The amalgamation has come into effect from April 1, 2020. The results for quarter/half year ended September 30, 2020 include operations of erstwhile Oriental Bank of Commerce and United Bank of India. Hence, the quarterly/half yearly results of current financial year are not comparable with corresponding quarter/half-year of previous financial year.

The amalgamation is accounted under the "pooling of interest" method as prescribed in AS-14 on "Accounting for Amalgamations", to record amalgamation of erstwhile Oriental Bank of Commerce and United Bank of India with the Bank w.e.f. April 01, 2020.

Accordingly, the difference of Rs.9268.29 crores (net-off adjustments) between the net assets of amalgamating banks and the amount of shares issued to shareholders of the amalgamating banks has been recognized as Amalgamation Adjustment Reserve. The Bank has considered this amount under CET-1 for the purpose of calculation of CRAR.

- The Consolidated financial results are prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements", Accounting Standard 23 on "Accounting for Investment in Associates" and Accounting Standard 27 on "Financial Reporting of Interest in Joint Ventures".
- The consolidated financial statements of the Group comprise financial statements of 5 subsidiaries, 14 Associates & 1 Joint Venture. The consolidated results are prepared in accordance with section 133 of Companies Act, 2013 and regulation 33 of Securities & Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- The above financial results have been reviewed by the Audit Committee of Board and approved by the Board of Directors in the meeting held on November 02, 2020. The same have been subjected to limited review 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.
- The financial results of the Bank have been arrived at after considering provisions for non-performing assets, standard assets, restructured advances, standard derivative exposures, direct taxes including deferred tax, unhedged foreign currency exposure and investment depreciation on the basis of extant guidelines issued by Reserve Bank of India. Provisions for Employee Benefits have been made on actuarial basis. Other usual and necessary provisions have been made on estimated basis for the quarter and are subject to adjustments, if any, at the year end.
- In terms of RBI circular no. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 read together with RBI circular DBR.No.BP.BC 80/21.06.201/2014-15 dated March 31, 2015, banks are required to make Pillar 3 disclosures under BASEL-III capital regulations. Accordingly, Pillar 3 disclosures under BASEL III capital regulations are being made available on Bank's website i.e. www.pnbindia.in. These disclosures have not been subjected to limited review by the Statutory Central Auditors.
- In terms of RBI Circular no.DBR.No.BP.15199/21.04.048/2016-17 dated June 23, 2017(RBI List-I) and Circular no.DBR.BP.1908/21.04.048/2017-18 dated August 28, 2017 (RBI List-II) for the accounts admitted under the provisions of Insolvency & Bankruptcy Code (IBC), the Bank is holding 100% provision for the outstanding of Rs.16503.49 crore as on September 30, 2020, in respect of such accounts.
- In the interim order dated September 03, 2020, Hon'ble Supreme Court of India in writ petition Gajendra Sharma Vs. Union of India & Others, has directed that accounts which were not declared as NPA till 31st August, 2020 shall not be declared as NPA till further orders. Based on the same, the Bank has not classified any account as NPA which was not NPA as on August 31, 2020. As a matter



of prudence, the Bank has made a contingent provision of Rs.180.00 Crore in respect of such accounts that were not classified as NPA which includes provision for interest income aggregating to Rs.85.00 Crore reckoned in operating profit.

10. In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated 27th March, 2020 and 17th April, 2020, and clarification issued by RBI through Indian Bankers Association dated 6th May, 2020, the Bank granted moratorium on the payment of instalments and/or interest, as applicable, falling due between March 01, 2020 and May 31, 2020 to eligible borrowers classified as Standard, even if overdue, as on February 29, 2020. In accordance with the additional Regulatory Package guidelines dated May 23, 2020, the Bank granted a second moratorium on instalments or interest, as applicable, due between June 01, 2020 and August 31, 2020. The moratorium period, wherever granted, is excluded from the number of days past-due for the purpose of asset classification under RBI's Income Recognition and Asset Classification norms

Disclosure in terms of RBI letter RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020, COVID-19 regulatory Package-Asset Classification and Provisioning Q2 FY 2020-21:

| S.No. | Particulars | Amount (Rs. in Crore) |
|-------|---|--------------------------|
| (i) | Respective SMA 2 amounts where asset classification benefit extended | 5953.11 |
| (ii) | Total Provision @10% already made for Q4 FY20 & Q1 FY21 in terms of paragraph 5 of above mentioned circular | 627.16 |
| | Provision required for Q4 FY20 and Q1 FY21 in terms of paragraph 5 of abovementioned circular | 595.31 |
| | Provision to be released as on 30.09.2020 | 31.85 |
| (iii) | Total provision held as on 30.09.2020 | 595.31 |
| (iv) | Additional provision made as a matter of prudence for asset classification benefit due to COVID moratorium | 400.00 |
| (v) | Grand total of COVID Provision | 995.31 |
| (vi) | Provision adjusted during the respective accounting period against slippages and the residual provisions in terms of paragraph 6 of above mentioned circular. | 31.85 |

11. COVID-19 pandemic continues to spread across several countries including India resulting in a significant volatility in global and Indian financial markets and a significant decline in global and local economic activities. The Govt. of India had announced a series of lock down measures from March 24, 2020 onwards which are yet to be completely withdrawn. Govt. of India has directed a calibrated and gradual withdrawal of lock down and partial resumption of economic activities.

The situation continues to be uncertain and the Bank is evaluating the situation on ongoing basis. The major identified challenges for the bank would arise from eroding cash flows and extended working capital cycles. The Bank is gearing itself on all the fronts to meet these challenges.

12. In terms of RBI Cir No. BP.BC.62/21.04.048/2020-21 dated April 17, 2020, on COVID-19 regulatory package – Review of resolution timelines under the prudential framework on resolution of stressed assets, the number of accounts and the amount involved in those accounts where the resolution period was extended is given below for the half year ended September 30, 2020:

| | |
|---|---------|
| No. of Accounts in which Resolution Plan extended | 08 |
| Amount Involved (Rs in Crores) | 1790.06 |

13. During the quarter bank has availed dispensation for deferment of provision in respect of frauds amounting to Rs.1558.58 crore in terms of option available as per RBI Circular No.DBR No.BP.BC.92/21.04.048/2015-16 dated April 18, 2016. Accordingly, an amount of Rs.389.64 crore has been charged to profit and loss account and Rs.1168.94 crore has been deferred to subsequent



quarters. Further, out of un-amortized amount of Rs. 1329.97 crore up to quarter ended June 30, 2020, an amount of Rs. 483.13 crore has been charged to P&L and remaining Rs. 846.84 crore has been carried forward to subsequent quarters.

14. Pursuant to the proposed bipartite agreement on wage revision (due with effect from November, 2017), a sum of Rs. 797.79 crore has been provided during the quarter towards wage revision on estimated basis. (Cumulative provision till September 30, 2020 is Rs. 2370.66 crores).

15. In accordance with RBI circular no. DBR.No.BP.BC.18/21.04.048/2018-19 dated January 01, 2019, DOR.No.BP.BC.34/21.4.048/2019—20 dated February 11, 2020 and DOR.No.BP.BC/4/21.04.048/2020-21 dated August 06, 2020 on "Relief for MSME borrowers either exempted or registered under Goods and Service Tax (GST)" the details of MSME restructured accounts from 01.01.2019 to 30.09.2020 as under:

| No. of Accounts Restructured | Amount (Rs. in Crores) |
|------------------------------|------------------------|
| 48378 | 2712.54 |

16. In terms of notification no.CG-DL-E-23032020-218862 dated 23.03.2020 issued by the Ministry of Finance (Department of Financial Services) containing amendment in Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970, after complying with the requirements of Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 and sub - section (2BBA) of section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Bank has appropriated accumulated losses of Rs. 28,707.92 crore from its share premium account on August 06, 2020. The said appropriation has no impact on Bank's Paid-up capital, Capital Adequacy, Leverage Ratio and Net Worth.

17. During the quarter ended on September 30, 2020, the Bank has exercised call option and redeemed bonds amounting to Rs. 500.00 Crores. The Bank has issued Tier-II Bonds aggregating to Rs. 994.00 Crores.

18. The Bank had made investment of Rs. 341.59 Crores in JSC Tengri Bank (formerly known as Bank of Kazakhstan), which is an associate of the Bank. The licence of JSC Tengri Bank has been revoked by Agency of Republic of Kazakhstan for Regulation and Development of Financial Market with effect from 18th September 2020. In the absence of any further development and as a matter of prudence the Bank has made a provision of Rs. 341.59 Crores during the quarter and half-year ended September 30, 2020.

19. The Provisioning Coverage Ratio as at September 30, 2020 works out to 83.00%.

20. Pursuant to the Accounting Standard – 10 (Revised 2016) on Property, Plant & Equipment, applicable from April 01, 2017, depreciation of Rs. 84.15 Crores for the period on revalued portion of Fixed Assets has been transferred from the Revaluation Reserve to Revenue Reserve instead of crediting to Profit & Loss Account.

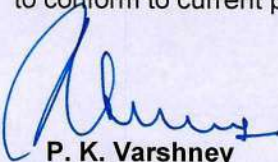
21. The Government of India has pronounced Section 115BAA of the Income Tax Act, 1961 through Taxation Laws (Amendment) Ordinance, 2019. Bank has evaluated the options available under section 115 BAA of Income Tax Act and opted to continue to recognise the taxes on income for the half-year ended 30.09.2020 as per the earlier provision of Income Tax Act.

22. Details of Investors complaints for the quarter ended September 30, 2020: Pending at Beginning: Nil; Received: 04; Disposed off: 03; Pending for Closure: 1.


23. In accordance to SEBI regulations, for the purpose of quarterly consolidated financial results, minimum eighty percent of consolidated revenue, assets and profits have been included subject to audit or limited review.



24. The figures for the quarter ended September 30, 2020 are the balancing figures between reviewed figures in respect of the half-year ended September 30, 2020 and the published year to date figures up to June 30, 2020.
25. Figures of the previous periods have been regrouped / rearranged / re-classified wherever necessary to conform to current period's classification.


P. K. Varshney
Assistant General Manager


R.K. Khichi
Deputy General Manager


Praveen Kumar Sharma
General Manager


D K Jain
General Manager & CFO


A.K. Azad
Executive Director


Vijay Dube
Executive Director


Sanjay Kumar
Executive Director


CH. S.S. Mallikarjuna Rao
Managing Director & CEO

Date: November 02, 2020

Place: New Delhi



PUNJAB NATIONAL BANK
SEGMENT REPORTING FOR THE QUARTER/ HALF YEAR ENDED 30th SEPTEMBER 2020

Rs. In lacs

PART A – BUSINESS SEGMENTS

| Sr. No. | Particulars | Standalone | | | | | | Consolidated | | | | | |
|----------|-------------------------------------|---------------------|---------------------|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|----------------------|---------------------|----------------------|---------------------|
| | | Quarter Ended | | | Half Year Ended | | | Quarter Ended | | | Half Year Ended | | |
| | | 30.09.2020 Reviewed | 30.06.2020 Reviewed | 30.09.2019 Reviewed* | 30.09.2020 Reviewed | 30.09.2019 Reviewed* | 31.03.2020 Audited* | 30.09.2020 Reviewed | 30.06.2020 Reviewed | 30.09.2019 Reviewed* | 30.09.2020 Reviewed | 30.09.2019 Reviewed* | 31.03.2020 Audited* |
| 1 | Segment Revenue | | | | | | | | | | | | |
| | (a) Treasury Operations | 776810 | 795214 | 495642 | 1572024 | 955767 | 1957845 | 801450 | 837250 | 515623 | 1638700 | 994463 | 2043579 |
| | (b) Corporate/Wholesale Banking | 820498 | 833173 | 645795 | 1653671 | 1179062 | 2352526 | 832797 | 833103 | 652451 | 1665900 | 1191190 | 2380409 |
| | (c) Retail Banking | 685966 | 723608 | 382057 | 1409574 | 872795 | 1874632 | 689471 | 724849 | 384218 | 1414320 | 877086 | 1883366 |
| | (d) Other Banking Operations | 60582 | 77285 | 32167 | 137867 | 64211 | 122413 | 60695 | 77570 | 32085 | 138265 | 64331 | 123259 |
| | Total Revenue | 2343856 | 2429280 | 1555661 | 4773136 | 3071835 | 6307416 | 2384413 | 2472772 | 1584377 | 4857185 | 3127070 | 6430613 |
| 2 | Segment Results | | | | | | | | | | | | |
| | (a) Treasury Operations | 152315 | 317851 | 135647 | 470166 | 300301 | 612323 | 168081 | 347599 | 142172 | 515680 | 310798 | 641022 |
| | (b) Corporate/Wholesale Banking | -116450 | -264834 | -78080 | -381284 | -130046 | -602722 | -132235 | -266876 | -69042 | -399111 | -146753 | -615578 |
| | (c) Retail Banking | 137011 | 86346 | 67034 | 223357 | 153836 | 278088 | 134286 | 83607 | 44997 | 217893 | 157822 | 283716 |
| | (d) Other Banking Operations | 17808 | 18098 | 8208 | 35906 | 15791 | 32200 | 16598 | 16652 | 7512 | 33250 | 14300 | 27655 |
| | Total | 190684 | 157461 | 132809 | 348145 | 339882 | 319889 | 186730 | 180982 | 125639 | 367712 | 336167 | 336815 |
| | Unallocated Expenditure | 92808 | 98045 | 69504 | 190853 | 130766 | 245990 | 92808 | 98046 | 69504 | 190854 | 130767 | 254113 |
| | Profit before Tax | 97876 | 59416 | 63305 | 157292 | 209116 | 73899 | 93922 | 82936 | 56135 | 176858 | 205400 | 82702 |
| | Provision for Tax | 35795 | 28571 | 12600 | 64366 | 56548 | 40279 | 39456 | 35417 | 13132 | 74873 | 59174 | 46368 |
| | Extraordinary items | - | - | - | - | - | - | - | - | - | - | - | - |
| | Share of Earning in Associates(Net) | - | - | - | - | - | - | 6366 | 11550 | 14174 | 17916 | 19457 | 12159 |
| | Minority Interest | - | - | - | - | - | - | 3216 | 5298 | 203 | 8514 | 1293 | 4648 |
| | Net profit | 62081 | 30845 | 50705 | 92926 | 152568 | 33620 | 57616 | 53771 | 56974 | 111387 | 164390 | 43845 |
| 3 | Segment Assets | | | | | | | | | | | | |
| | (a) Treasury Operations | 41102005 | 43870194 | 26729707 | 41102005 | 26729707 | 26515086 | 42799845 | 45669305 | 27934877 | 42799845 | 27934877 | 27999512 |
| | (b) Corporate/Wholesale Banking | 47976771 | 47091907 | 32794614 | 47976771 | 32794614 | 36383417 | 48374137 | 47519809 | 33192098 | 48374137 | 33192098 | 36791980 |
| | (c) Retail Banking | 26567524 | 25756638 | 16284915 | 26567524 | 16284915 | 15708035 | 26699154 | 25857517 | 16375739 | 26699154 | 16375739 | 15812252 |
| | (d) Other Banking Operations | 2762997 | 2156621 | 2037618 | 2762997 | 2037618 | 1534004 | 2839872 | 2226848 | 2106451 | 2839872 | 2106451 | 1615932 |
| | (e) Unallocated | 4303273 | 4364695 | 2778389 | 4303273 | 2778389 | 2926049 | 4303272 | 4364696 | 2778388 | 4303272 | 2778388 | 2926049 |
| | Total | 122712570 | 123240055 | 80625243 | 122712570 | 80625243 | 83066591 | 125016280 | 125638175 | 82387553 | 125016280 | 82387553 | 85145725 |
| 4 | Segment Liabilities | | | | | | | | | | | | |
| | (a) Treasury Operations | 39576991 | 42296152 | 25483548 | 39576991 | 25483548 | 25419887 | 41004099 | 43798165 | 26590726 | 41004099 | 26590726 | 26634887 |
| | (b) Corporate/Wholesale Banking | 46196681 | 45402272 | 31265705 | 46196681 | 31265705 | 34880610 | 46487422 | 45679877 | 31475067 | 46487422 | 31475067 | 35143750 |
| | (c) Retail Banking | 25581785 | 24832502 | 15525701 | 25581785 | 15525701 | 15059219 | 25980818 | 25240281 | 15924080 | 25980818 | 15924080 | 15469040 |
| | (d) Other Banking Operations | 2660482 | 2079242 | 1942623 | 2660482 | 1942623 | 1470643 | 2662511 | 2092170 | 1938475 | 2662511 | 1938475 | 1471367 |
| | (e) Unallocated | 922 | 924 | 485 | 922 | 485 | 484 | 3456 | 4175 | 36197 | 3456 | 36197 | 39045 |
| | Total | 114016861 | 114611092 | 74218062 | 114016861 | 74218062 | 76830843 | 116138306 | 116814668 | 75964545 | 116138306 | 75964545 | 78758089 |
| 5 | Capital Employed | | | | | | | | | | | | |
| | (a) Treasury Operations | 1525014 | 1574042 | 1246159 | 1525014 | 1246159 | 1095199 | 1795746 | 1871140 | 1344151 | 1795746 | 1344151 | 1364625 |
| | (b) Corporate/Wholesale Banking | 1780090 | 1689635 | 1528909 | 1780090 | 1528909 | 1502807 | 1886715 | 1839932 | 1717031 | 1886715 | 1717031 | 1648230 |
| | (c) Retail Banking | 985739 | 924136 | 759214 | 985739 | 759214 | 648816 | 718336 | 617236 | 451659 | 718336 | 451659 | 343212 |
| | (d) Other Banking Operations | 102515 | 77379 | 94995 | 102515 | 94995 | 63361 | 177361 | 134678 | 167976 | 177361 | 167976 | 144565 |
| | (e) Unallocated | 4302351 | 4363771 | 2777904 | 4302351 | 2777904 | 2925565 | 4299816 | 4360521 | 2742191 | 4299816 | 2742191 | 2887004 |
| | Total Capital Employed | 8695709 | 8628963 | 6407181 | 8695709 | 6407181 | 6235748 | 8877974 | 8823507 | 6423008 | 8877974 | 6423008 | 6387636 |

PART B - GEOGRAPHICAL SEGMENTS

| Sr. No. | Particulars | Standalone | | | | | | Consolidated | | | | | |
|----------|-------------------|---------------------|---------------------|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|----------------------|---------------------|----------------------|---------------------|
| | | Quarter Ended | | | Half Year Ended | | | Quarter Ended | | | Half Year Ended | | |
| | | 30.09.2020 Reviewed | 30.06.2020 Reviewed | 30.09.2019 Reviewed* | 30.09.2020 Reviewed | 30.09.2019 Reviewed* | 31.03.2020 Audited* | 30.09.2020 Reviewed | 30.06.2020 Reviewed | 30.09.2019 Reviewed* | 30.09.2020 Reviewed | 30.09.2019 Reviewed* | 31.03.2020 Audited* |
| 1 | Revenue | | | | | | | | | | | | |
| | (a) Domestic | 2325139 | 2405032 | 1521130 | 4730171 | 3001127 | 6176425 | 2354123 | 2439149 | 1503857 | 4793272 | 3035717 | 6254651 |
| | (b) International | 18717 | 24248 | 34531 | 42965 | 70708 | 130991 | 30290 | 33623 | 80520 | 63913 | 91353 | 175962 |
| | Total | 2343856 | 2429280 | 1555661 | 4773136 | 3071835 | 6307416 | 2384413 | 2472772 | 1584377 | 4857185 | 3127070 | 6430613 |
| 2 | Assets | | | | | | | | | | | | |
| | (a) Domestic | 118055399 | 118436292 | 76280711 | 118055399 | 76280711 | 79329523 | 119516714 | 119971578 | 77259983 | 119516714 | 77259983 | 80555154 |
| | (b) International | 4657171 | 4803763 | 4344532 | 4657171 | 4344532 | 3737068 | 5499566 | 5666597 | 5127570 | 5499566 | 5127570 | 4590571 |
| | Total | 122712570 | 123240055 | 80625243 | 122712570 | 80625243 | 83066591 | 125016280 | 125638175 | 82387553 | 125016280 | 82387553 | 85145725 |

Notes :
 1. Segment Liabilities are distributed in the ratio of their respective Segment Assets.
 2. Figures of the previous period have been re-grouped/re-classified wherever necessary.
 * previous quarter/half year ended figures are related to Bank's financials for pre-amalgamation period, hence not comparable with post amalgamation financials for the quarter/half year ended 30th September 2020 (Refer to SEBI Note No.2)



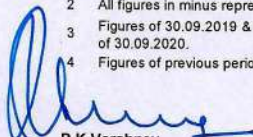
PUNJAB NATIONAL BANK
Statement of Standalone Cash Flow for the half year ended 30th Sep 2020

(Rs in 000)


| | For the half year ended | | Year Ended |
|---|-----------------------------|------------------|-------------------|
| | 30.09.2020 | 30.09.2019 | 31.03.2020 |
| A. Cash Flow from Operating Activities | | | |
| Net Profit/(Loss) after Tax | 9292591 | 15256841 | 3361944 |
| Provision for Tax | 6436648 | 5654780 | 4027884 |
| (i) Net Profit/(Loss) before taxes | 15729239 | 20911621 | 7389828 |
| (ii) Adjustments for: | | | |
| Depreciation on fixed assets | 5179442 | 3109853 | 6076793 |
| Depreciation/(Release) on Investments (net) | -1750044 | 1431439 | -3650117 |
| Provisions for non performing assets | 86475661 | 54004450 | 144640764 |
| Provision on Standard Assets | 7609074 | -1585004 | 730724 |
| Other Provision (net) | 1486127 | -4338145 | -1712296 |
| Dividend from Subsidiary / Others | -565896 | -1138081 | -1541119 |
| Profit / Loss on sale of Fixed Assets (net) | -9102 | -181739 | -416673 |
| Interest paid on Bonds | 9490154 | 5275299 | 11762046 |
| Sub Total | 107915416 | 56578072 | 155890122 |
| Operating Profit before Changes in Operating Assets and Liabilities | (i+ii) 123644655 | 77489693 | 163279950 |
| (iii) Adjustment for net change in Operating Assets and Liabilities | | | |
| Decrease / (Increase) in Investments | -197435918 | -371456608 | -379176654 |
| Decrease / (Increase) in Advances | 363048822 | 254794839 | -281163389 |
| Decrease / (Increase) in Other Assets | -30688706 | -34369336 | -13791168 |
| Increase / (Decrease) in Deposits | -18155626 | 197519406 | 278161845 |
| Increase / (Decrease) in Borrowings | -208895929 | -47642050 | 120995141 |
| Increase / (Decrease) in Other Liabilities & Provisions | -43659353 | 7149750 | 6206589 |
| | (iii) -135788710 | 5996001 | -268767636 |
| Cash generated from Operations | (i+ii+iii) -12144055 | 83485694 | -105487686 |
| Direct Taxes paid (net off refund) | 4905235 | -9110753 | -21233338 |
| A Net Cash from Operating Activities | (A) -7238820 | 74374941 | -126721024 |
| B Cash Flow from Investing Activities | | | |
| Purchase of Fixed Assets (net off Sales) | -2692771 | -1476582 | -3300263 |
| Dividend recd from Subsidiary/Others | 565896 | 1138081 | 1541119 |
| Investment in Subsidiary/Others | -1293566 | -10036 | -40652 |
| Net Cash from/(used) in Investing Activities | (B) -3420441 | -348537 | -1799796 |
| C. Cash flow from Financing Activities | | | |
| Share Capital/Share Application Money/Share Premium | 0 | 160910000 | 160910000 |
| Issue/(Redemption) of Bonds | 1089407 | -20000000 | -12000000 |
| Payments of Dividends (incl. tax on Dividend) | 0 | 0 | 0 |
| Interest paid on Bonds | -9490154 | -6852549 | -13339296 |
| Cash paid to Shareholder of e-OBC & e-UNI towards fractional entitlement consequent to amalgamation | -4655 | 0 | 0 |
| Net Cash from/(used) Financing Activities | (C) -8405402 | 134057451 | 135570704 |
| D. Cash and Cash Equivalents received on account of amalgamation | (D) 297108220 | 0 | 0 |
| E. Net Change in Cash and Cash Equivalents | (A+B+C+D) 278043557 | 208083854 | 7049884 |
| Cash and Cash Equivalents at the beginning of the year | | | |
| Cash and Balances with Reserve Bank of India | 383978504 | 321291338 | 321291338 |
| Balances with Banks & Money at Call & Short Notice | 375951792 | 431589074 | 431589074 |
| | 759930296 | 752880412 | 752880412 |
| Cash and Cash Equivalents at the end of the quarter | | | |
| Cash and Balances with Reserve Bank of India | 685928134 | 378581747 | 383978504 |
| Balances with Banks & Money at Call & Short Notice | 352045719 | 582382520 | 375951792 |
| | 1037973853 | 960964267 | 759930296 |

Notes :-

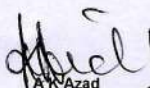
- Direct taxes paid (net off refund) are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- All figures in minus represents "Cash Out Flow"
- Figures of 30.09.2019 & 31.03.2020 are related to standalone pre amalgamated Punjab National Bank, hence not comparable with post amalgamation financials of 30.09.2020.
- Figures of previous period have been regrouped wherever considered necessary to conform current period classification.


P K Varshney
Asstt. General Manager


R K Khichi
Dy. General Manager


Praveen Kumar Sharma
General Manager


D K Jain
General Manager & CFO


A K Azad
Executive Director


Vijay Dube
Executive Director


Sanjay Kumar
Executive Director


CH. S.S. Mallikarjuna Rao
Managing Director & CEO

Date : 02-11-2020
Place: New Delhi



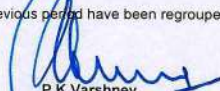
PUNJAB NATIONAL BANK
Statement of Consolidated Cash Flow for the half year ended 30th September 2020

(Rs. In Crores)

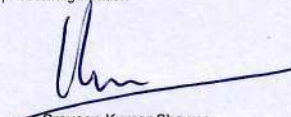
| | | For the Half Year ended | | Year Ended |
|---|-------------------|-------------------------|-----------------|-------------------|
| | | 30.09.2020 | 30.09.2019 | 31.03.2020 |
| A. Cash Flow from Operating Activities | | | | |
| Net Profit/(Loss) after Tax | | 1113.88 | 1643.90 | 438.45 |
| Provision for Tax | | 748.73 | 591.74 | 463.68 |
| (I) Net Profit before taxes | (i) | 1862.61 | 2235.64 | 902.13 |
| (II) Adjustments for: | | | | |
| Depreciation on fixed assets | | 519.87 | 314.29 | 614.44 |
| Depreciation/(Release) on Investments [net] | | (175.02) | 142.40 | (366.73) |
| Provisions for non performing assets | | 8927.63 | 5550.59 | 14715.78 |
| Provision on Standard Assets | | 763.10 | (159.47) | 73.46 |
| Other Provision (net) | | 148.61 | (365.78) | (90.01) |
| Share of earning in Associates | | (179.15) | (194.57) | (121.60) |
| Profit / Loss on sale of Fixed Assets (net) | | (0.90) | (18.17) | (41.67) |
| Interest paid on Bonds | | 949.02 | 527.53 | 1176.20 |
| Sub Total | (ii) | 10953.16 | 5796.82 | 15959.87 |
| Operating Profit before Changes in Operating Assets and Liabilities | (i+ii) | 12815.77 | 8032.46 | 16862.00 |
| (III) Adjustment for net change in Operating Assets and Liabilities | | | | |
| Decrease / (Increase) in Investments | | (21961.37) | (39579.83) | (42715.83) |
| Decrease / (Increase) in Advances | | 35830.38 | 24713.97 | (29243.39) |
| Decrease / (Increase) in Other Assets | | (3152.88) | (3665.96) | (176.08) |
| Increase / (Decrease) in Deposits | | (1469.31) | 19552.72 | 28380.19 |
| Increase / (Decrease) in Borrowings | | (19290.39) | (1010.46) | 16874.67 |
| Increase / (Decrease) in Other Liabilities & Provisions | | (4008.05) | (457.36) | (576.50) |
| | (iii) | (14051.62) | (446.92) | (27456.94) |
| Cash generated from Operations | (i+ii+iii) | (1235.85) | 7585.54 | (10594.94) |
| Direct Taxes paid (net off Refund) | | 247.07 | (937.22) | (2198.10) |
| Net Cash from Operating Activities | (A) | (988.78) | 6648.32 | (12793.04) |
| B Cash Flow from Investing Activities | | | | |
| Purchase of Fixed Assets (net off Sales) | | (274.43) | (152.03) | (338.33) |
| Net Cash used in Investing Activities | (B) | (274.43) | (152.03) | (338.33) |
| C. Cash flow from Financing Activities | | | | |
| Share Capital/Share Application Money/Share Premium | | 0.00 | 16091.00 | 16091.00 |
| Issue/(Redemption) of Bonds | | 106.10 | (1997.42) | (1190.23) |
| Payment of Dividends (incl. tax on Dividend) | | - | (30.01) | (30.01) |
| Interest paid on Bonds | | (949.02) | (685.29) | (1352.60) |
| Cash paid to Shareholder of e-OBC & e-UNI towards fractional entitlement consequent to amalgamation | | (0.47) | 0.00 | 0.00 |
| Increase/ (Decrease) in Minority Interest | | 69.58 | 45.79 | 72.99 |
| Net Cash from Financing Activities | (C) | (773.80) | 13424.07 | 13591.15 |
| D. Cash and Cash Equivalents received on account of amalgamation | (D) | 29710.82 | 0.00 | 0.00 |
| E. Net Change in Cash and Cash Equivalents | (A+B+C+D) | 27673.81 | 19920.36 | 459.78 |
| Cash and Cash Equivalents at the beginning of the year | | | | |
| Cash and Balances with Reserve Bank of India | | 38603.79 | 32338.32 | 32338.32 |
| Balances with Banks & Money at Call & Short Notice | | 39151.96 | 44957.65 | 44957.65 |
| | | 77755.75 | 77295.97 | 77295.97 |
| Cash and Cash Equivalents at the end of the quarter | | | | |
| Cash and Balances with Reserve Bank of India | | 68954.76 | 38052.14 | 38603.79 |
| Balances with Banks & Money at Call & Short Notice | | 36474.80 | 59164.19 | 39151.96 |
| | | 105429.56 | 97216.33 | 77755.75 |

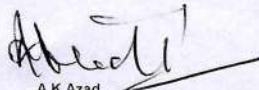
Notes -

- Direct taxes paid (net off refund) are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- All figures in minus represents "Cash Out Flow"
- Figures of 30.09.2019 & 31.03.2020 are related to consolidated pre amalgamated Punjab National Bank, hence not comparable with post amalgamation financials of 30.09.2020
- Figures of previous period have been regrouped wherever considered necessary to conform current period classification.


P K Varshney
Asstt. General Manager


R K Khichi
Dy. General Manager

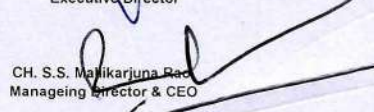

Praveen Kumar Sharma
General Manager


A K Azad
Executive Director


D K Jain
General Manager & CFO


Vijay Dube
Executive Director


Sanjay Kumar
Executive Director


CH. S.S. Malikarjuna Rao
Managing Director & CEO

Date: November 02, 2020
Place: New Delhi



GS Mathur & Co.
Chartered Accountants

MKPS & Associates
Chartered Accountants

HDSG & Associates
Chartered Accountants

M K Aggarwal & Co.
Chartered Accountants

A John Moris & Co.
Chartered Accountants

INDEPENDENT AUDITORS' REVIEW REPORT ON THE UNAUDITED STANDALONE FINANCIAL RESULTS
FOR SIX MONTHS ENDED 30th SEPTEMBER 2020

To
The Board of Directors,
Punjab National Bank
New Delhi

1. We have reviewed the accompanying statements of unaudited financial results ("Statements") of Punjab National Bank (the "Bank") for the quarter and half year ended September 30, 2020 attached herewith, being submitted by the Bank pursuant to requirement of regulation 33 of SEBI (Listing Obligation and Disclosure Requirement, 2015 as amended (Listing Regulation). The disclosures relating to "Pillar 3 including Leverage Ratio and Liquidity Ratio under Basel III Capital Regulations" as have been disclosed on the Banks website and in respect of which a link has been provided in the aforesaid Statements have not been reviewed by us. These statements are the responsibility of the Bank's Management and have been approved by the Board of Directors. Our responsibility is to issue a report on these interim financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to making inquiries of the Bank personnel and applying analytical and other review procedures to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. These Unaudited Standalone Financial results incorporate the relevant returns of 20 Branches reviewed by us, 2 foreign branch reviewed by local auditors specially appointed for this purpose and un-reviewed returns in respect of 10345 branches and other offices. In the conduct of our review, we have relied upon the review reports in respect of non-performing assets submitted by external concurrent auditors (including retired employees of the Bank) of 1358 branches, in-house concurrent auditors of 244 branches to the Bank Management. These review reports cover 81.90% (of which 54.68% has been covered by us) of the advances portfolio of the bank (excluding the advances of asset recovery branches and outstanding food credit) as at September 30th, 2020. Apart from these review reports, in the conduct of our review, we have also relied upon various information and returns received from un-reviewed branches/other offices of the Bank and generated through centralized database at the Bank's Head Office.
4. Based on our review conducted as above, subject to limitation in scope as mentioned in Para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited interim financial results together with the notes thereon, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not



disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

5. We draw attention to:

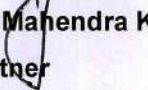
- a) Refer **Note No. 1** to the accompanying financial results regarding change in policy of appropriation of recovery in NPA accounts
- b) Refer **Note No. 9** to the accompanying financial results regarding impact of Hon'ble Supreme Court order on provisioning and classification of loans and advances as per prudential norms.
- c) Refer **Note No. 11** to the accompanying financial results which describes the uncertainties due to outbreak of novel corona virus (COVID 19).
- d) Refer **Note No. 13** to the financial results relating to deferment of provision related to fraud reported during the quarter ended 30th September, 2020
- e) Refer **Note No. 18** to the financial results relating to provision in one of the associates of the bank.

Our opinion is not modified in respect of these matters.

For G S Mathur & Co.
Chartered Accountants


CA Rajiv Kumar Wadhawan
Partner
(M.NO. 091007)
FRN 008744N
UDIN:20091007AAAACJ6610
Place: New Delhi

For MKPS & Associates
Chartered Accountants


CA Mahendra K Agrawala
Partner
(M.NO. 051764)
FRN 302014E
UDIN: 20051764AAAABG2275
Place: New Delhi

For HDSG & Associates
Chartered Accountants

— through VC —
CA Dalbir Singh Gulati
Partner
(M.NO. 081024)
FRN 002871N
UDIN: 20081024AAAAHN5136
Place: New Delhi

For M K Aggarwal & Co.
Chartered Accountants

— through VC —
CA Atul Aggarwal
Partner
(M.NO. 099374)
FRN 001411N
UDIN: 20099374AAAACU8533
Place: New Delhi

For A John Moris & Co.
Chartered Accountants

— through VC —
CA G Kumar
Partner
(M.NO.023082)
FRN 007220S
UDIN: 20023082AAAAMI6957
Place: Chennai

Date: November 02, 2020

GS Mathur & Co.
Chartered Accountants

HDSG & Associates
Chartered Accountants

MKPS & Associates
Chartered Accountants

M K Aggarwal & Co.
Chartered Accountants

A John Moris & Co.
Chartered Accountants

**INDEPENDENT AUDITORS' REVIEW REPORT ON THE UNAUDITED
CONSOLIDATED FINANCIAL RESULTS FOR SIX MONTHS ENDED 30th
SEPTEMBER 2020**

To
The Board of Directors
Punjab National Bank
New Delhi

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Punjab National Bank ("the Parent"/"the Bank") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), its jointly controlled entities and its share of net profit/(loss) after tax of its associates for the quarter ended September 30, 2020 attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations). Statement is the responsibility of Bank's Management and has been recommended by the Audit Committee of Board and has been approved by Board of Directors at their respective meetings held on 21st August 2020, which has been initiated by us for the purpose of identification only. Further disclosures relating to consolidated Pillar 3 disclosure as at September 30, 2020 including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended to the extent applicable.
5. The Statement includes the results of the following entities:

Parent: Punjab National Bank

Subsidiaries:

- i. PNB Gilts Ltd
- ii. PNB Investment Services Ltd
- iii. PNB Insurance Broking Pvt Ltd.
- iv. Punjab National Bank (International) Ltd, UK
- v. Druk PNB Bank Ltd, Bhutan

*Steps are being taken for winding up of the company as the license has already been surrendered on 14.02.2011.

Associates:

- i. Dakshin Bihar Gramin Bank, Patna
- ii. Sarva Haryana Gramin Bank, Rohtak
- iii. Himachal Pradesh Gramin Bank, Mandi
- iv. Punjab Gramin Bank, Kapurthala
- v. Prathama UP Gramin Bank, Meerut
- vi. Assam Gramin Vikas Bank, Guwahati
- vii. Bangia Gramin Vikas Bank, Murshidabad
- viii. Tripura Gramin Bank, Agartala
- ix. Manipur Rural Bank, Imphal
- x. PNB Housing Finance Limited
- xi. PNB Metlife India Insurance Co. Ltd.
- xii. Canara HSBC OBC Life Insurance Co. Ltd.
- xiii. India SME Asset Reconstruction Co. Ltd.
- xiv. JSC (Tengri Bank) Almaty, Kazakhstan

Joint Venture:

- i) Everest Bank Limited, Kathmandu, Nepal
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition measurement principles laid down in the aforesaid Accounting Standard, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosure as at September 30, 2020, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us, or that it contains any material misstatement.



7. We did not review the interim financial information of 1602 branches included in the standalone unaudited interim financial statements of the entities included in the Group, whose results reflect Total advances (asset) of Rs 179473.59 Crores as at September 30,, 2020 and total revenues of Rs.23592.29 Crores for the quarter ended September 30,2020, as considered in the respective standalone unaudited interim financial results of the entities included in the Group.

The interim financial results of these branches have been reviewed by the internal inspection teams of entities whose reports have been furnished to us or other auditors, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such inspections teams and other auditors and the procedures performed by us as stated in paragraph 3 above. According to the information and explanation given to us by the management, this interim financial information is not material to the group.

8. The consolidated unaudited financial results includes the interim financial results which have not been reviewed of 10345 branches and other offices included in the standalone unaudited results of the entities included in the Group, whose results reflect total advances of Rs. Rs 200459.31 Crores as at September 30,2020 and total revenues of Rs 12298.94 Crores for the quarter ended September 30,2020, as considered in the respective standalone unaudited financial results of the entities included in the Group.

Our conclusion is not modified in respect of the above matter.

9. We did not review the interim financial Information of 2 associate included in the consolidated unaudited financial results, whose share of net profit for consolidation is Rs. 139.03 Crores and Rs. 240.36 Crores for the quarter and half year ended September 30,2020 respectively. These interim financial information have been reviewed by other auditors whose reports, have been furnished to us by the Management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and Associates is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 & 4 above.

10. The Consolidated unaudited financial results includes the interim financial results of 5 Subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs 23906.89 Crores at September 30,2020, Revenue of Rs.373.60 Crores and Rs. 865.51 Crores for the quarter and Half year ended September 30,2020 respectively as considered in the consolidated financial results. The Consolidated unaudited financial results also includes the Group's share of net Loss of Rs 75.38 Crores and Rs. 19.75 Crores for the quarter ended September 30,2020 and Half year ended September 30,2020, as considered in the consolidated unaudited financial results, in respect of 13 associates and jointly controlled entity, based on interim financial results which have not been reviewed/audited by their auditors. According to the information and explanations given to us by the Management, These interim financial results are not material to the Group.

Our conclusion is not modified in respect of the above matter.

11. We draw attention to:

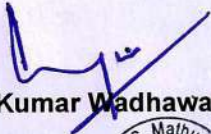
- a. Refer **Note No. 1** to the accompanying financial results regarding change in policy of appropriation of recovery in NPA accounts



- b. Refer **Note No. 9** to the accompanying financial results regarding impact of Hon'ble Supreme Court order on provisioning and classification of loans and advances of loans and advances as per prudential norms.
- c. Refer **Note No. 11** to the accompanying financial results which describes the uncertainties due to outbreak of novel corona virus (COVID 19).
- d. Refer **Note No. 13** to the financial results relating to deferment of provision related to fraud reported during the quarter ended 30th September, 2020
- e. Refer **Note No. 18** to the financial results relating to provision in one of the associates of the bank

Our conclusion is not modified in respect of the above matter.

For G S Mathur & Co.
Chartered Accountants

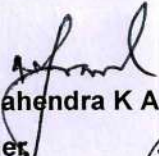

CA Rajiv Kumar Wadhawan
Partner

(M.NO. 091007)
FRN 008744N

UDIN: 20091007AAAACK4502
Place: New Delhi



For MKPS & Associates
Chartered Accountants


CA Mahendra K Agrawala
Partner

(M.NO. 051764)
FRN 302014E

UDIN: 20051764AAAABH1314
Place: New Delhi



For HDSG & Associates
Chartered Accountants

— through VC —
CA Dalbir Singh Gulati
Partner

(M.NO. 081024)
FRN 002871N

UDIN: 20081024AAAAHO8296
Place: New Delhi



For M K Aggarwal & Co.
Chartered Accountants

— through VC —

CA Atul Aggarwal
Partner

(M.NO. 099374)
FRN 001411N

UDIN: 20099374AAAAC1624
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For A John Moris & Co.
Chartered Accountants

— through VC —

CA G Kumar
Partner

(M.NO.023082)
FRN 007220S

UDIN: 20023082AAAAMJ3743
Place: Chennai



Date: November 02, 2020