



**Accretion of Over Rs 1, 00,000 crore in Domestic Business in FY'19
Adjudged the Best Performing PSB and Conferred with
"EASE Reforms Excellency Award"**

FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH 2019

Performance Review

- **Improved Business and Healthy Deposit Profile:**
 - Domestic Business grew by 11.1% to Rs 1145511 crore as on 31st March'19.
 - Domestic Deposits grew by 9.0 % to reach Rs 654536 crore as on 31st March'19.
 - Domestic CASA ratio stood at 43.51% as on March'19.
 - More than 32 lac new saving customers added in year.
- **Healthy Credit Growth:**
 - Gross Domestic Advances grew by 14.1% to reach Rs 490975 crore as on 31st March'19.
 - Retail Advances grew by 21.7% YoY, Housing loan growth at 25.4%.
- **Bottom-line:**
 - Core Operating profit grow 69% YoY.
 - Pre provisioning Operating Profit for Q4FY'19 stood at Rs 2861 crore.
 - Pre provisioning Operating Profit for FY'19 grew by 26% YOY.
 - Net Interest Income recorded a YoY growth of 15.0% in FY'19.
- **Consistent improvement in Asset quality:**
 - Gross Recovery of more than ₹ 20,000 crore in FY19 against ₹ 9,666 in FY18.
 - GNPA ratio reduced to 15.50% as on 31st March'19 from 18.38% as on 31st March'18.
 - NNPA ratio reduced to 6.56% as on 31st March'19 from 11.24% as on 31st March'18.
- **Adequate Provision Cover:**
 - 100% provision made for one off incident by Q3FY'19.
 - PCR improved to 74.50% in Mar'19 from 58.42% in Mar'18.
 - PCR under NCLT accounts at 85.2%.
- **Stable Capital Adequacy:**
 - Credit RWAs density at 48.7%; reduced from 64.9% in Mar'17.
 - 88% of fresh sanctions are rated A and above.

Key Summary Figures (Rs crore)

Parameter	Q4FY18	Q4FY19	YOY %	FY18	FY19	YOY%
Profit & Loss						
Interest Income	11385	12836	12.7	47996	51310	6.9
Interest expenses	8321	8635	3.8	33073	34154	3.3
NII	3063	4200	37.1	14922	17156	15.0
NIM (%) Domestic	1.90%	2.45%	55 bps	2.42%	2.59%	17 bps
Operating Profit	-447	2861	-	10294	12995	26.2
Provisions	12970	7611	-	22577	22971	1.7
Net Profit	-13417	-4750	-	-12283	-9975	-

Parameter	FY18	FY19	YOY%
Balance Sheet			
Gross Domestic Business	1030681	1145511	11.1
Gross Domestic Advances	430294	490975	14.1
Global Deposits	642226	676030	5.3
CASA	263247	285040	8.3
Domestic CASA Ratio (%)	43.80%	43.51%	-
GNPA	86620	78473	-
NNPA	48684	30038	-
Ratios (%)			
Asset Quality (Change in bps)			
GNPA	18.38%	15.50%	-288
NNPA	11.24%	6.56%	-468
PCR	58.42%	74.50%	1608
Capital Ratios			
CET-1	5.95%	6.21%	26
Tier-1	7.12%	7.49%	37
CRAR	9.20%	9.73%	53
Other Ratios			
CD Ratio	67.54%	67.79%	25
Yield on Advances (Q4FY'19)*	6.95%	7.73%	78
Yield on Funds (Q4FY'19)*	5.70%	6.30%	60
Yield on Investment (Q4FY'19)*	7.27%	7.40%	13

*Domestic

Key Strategic Initiatives

- 18 Centralized Loan Processing Centers (CLPCs) operational for loan Accounts above Rs. 50 Lac till 31st March'19 work as an independent support for Credit Processing & Credit Monitoring and segregate Pre Sanction & Post Sanction work. 71 targeted to be opened.
- 36 Systemically Important Branches (SIBs) working to ensure efficient monitoring and strict segregation of Pre & Post sanction roles.
- Stressed Assets Management Vertical (SAMV) focusing on enhanced recovery through a dedicated, specialized and motivated team.
- Centralization of Forex Business through Trade Finance Center.
- Swift integrated with Core Banking Solution whereby all outward payment SWIFT message automatically generated through CBS without any manual intervention.

Operating and Net Profit

- The Bank's Operating Profit for the quarter grew to Rs 2861 crore and for FY'19 grew by 26.2% YoY to reach Rs 12995 crore. The Bank reported a Net loss of Rs 4750 crore for Q4FY'19 and Rs 9975 crore for FY'19 due to high provisioning.

Net Interest Income and Net Interest Margin

- Net Interest Income increased by 37.1% YoY to Rs 4200 crore during Q4FY'19 from Rs 3063 crore in Q4FY18. NII for the FY'19 grew by 15.0% to reach Rs 17156 crore from Rs 14922 crore in FY'18. Domestic NIM increased by 17 bps from 2.42% in FY'18 to 2.59% in FY'19.

Business

- Domestic Business increased by over Rs 1 lakh crore in FY'19 to Rs 1145511 crore recording a YoY growth of 11.1%.
- Domestic Advances registered a growth of 14.1% from Rs 430294 crore as on 31st March'18 to Rs 490975 crore as on 31st March' 19. Retail advances grew 21.7% YoY to Rs 92727 crore.
- The Bank's Total Deposits stood at Rs 676030 crore as on FY'19 as against Rs 642226 crore in corresponding period a year ago. CASA share in total deposits increased to 43.51% as on FY'19 compared to 43.80% in FY'18. Rs 17700 crore was added to the savings account in FY'19.

Asset Quality

- The Bank's Gross NPA and Net NPA reduced and are at 15.50% and 6.56% respectively as on 31st March'19 against 18.38% and 11.24% as on 31st March'18. As on 31st March'19, the Bank's Gross NPA stood at Rs 78473 crore (Rs 86620 crore in FY'18) and Net NPA stood at Rs 30038 crore (Rs 48684 crore).
- Provision Coverage Ratio increased from 58.42% at March'18 to 74.50% at March'19 further strengthening the balance sheet.

Capital Adequacy

- Capital Adequacy ratio of the Bank under Basel III improved to 9.73% as on 31st March '19 as against 9.20% as on 31st March'18.

Digital Initiatives

- 60% Digital transactions shifted to Alternate Delivery Channel in saving fund account.
- PNB One Mobile App: the One stop shop Unified Mobile application with advanced features, interactive interface launched. New feature of Enrollment for Government Schemes introduced in PNB One app.
- National Common Mobility Card (NCCM) was launched to enable people to pay multiple kinds of transport charges, including metro services and toll tax, across the country.
- Bank identified as Digital partner in Kumbh, Prayagraj 2019. Bank provided services of e-Rupaya for digital payments, Mobile ATMs, Cash Deposit Machines to the pilgrims.
- Bank has re-launched the Rakshak Plus Debit Card to provide additional benefits to the customers who are serving in Indian Army/Navy/Air Force & Indian Coast Guard.

Priority Sector and Financial Inclusion

- PNB has constantly been achieving National Goals and Targets allocated under flagship schemes of the nation for upliftment and employment of targeted groups. The credit to Priority sector (Rs.178644 crore) as on March'19 was at 41.89% against the target of 40%. Bank's Agricultural Advances grew to 18.40% of ANBC against the National Goal of 18%. The Bank achieved National Goals for Credit for weaker Sections (11.04% of ANBC against the target of 10% of ANBC) and women beneficiaries (6.80 % of ANBC against National Goal of 5%).
- Average balance in PM Jan Dhan Yojana accounts increased by 24% YoY Bank opened 197.63 lac accounts in which Rs 4737.81 crore have been mobilized under PMJDY. The enrollment under Atal Pension Yojana increased by 32.95% and that under PMJJBY by 13.2%.

Awards and Accolades

1. Ease Reforms Excellency Awards 2019- "Best Performing Bank" among all Public Sector Banks
 - Customer Responsiveness Award-Winner
 - Responsible Banking Award-Winner
 - Credit Off-take Award-Winner
 - Deepening Financial Inclusion & Digitalization Award- First runner Up.
2. Forbes Media ranked Bank at 7th out of 30 banks based on Consumer endorsement on general satisfaction, Key attributes such as Trust, Fees, Digital service and financial advice.
3. Best Bank for CSR by Asia Money.
4. Express Group for the BFSI Digital Innovation Award 2019 in the Enterprise Mobility Category.
5. Best in Financial Inclusion by Business Today-Money Today.
6. Social Banking Excellence Awards 2018- Second Runner Up under Priority Sector for Large Class by ASSOCHAM.
7. IBA Banking Technology Awards 2019- Runner up in the category "Most Customer Centric Bank using Technology" by Indian Bank's Association.

New Delhi

Date: 28/05/2019