



PNB Net Profit reaches Rs.3905 crore

PNB continues to be **NUMBER ONE** amongst nationalized banks in :

Highest Net Profit	Rs. 3905 crore	(26.4%)
Highest Operating profit	Rs. 7326 crore	(28.8%)
Highest Business	Rs 4.36 lac crore	(19.6%)
Total Assets	Rs 2.97 Lac crore	(20.1%)
Highest CASA	Rs. 1.02 Lac crore	(25.0%)
Highest Customer Base	5.6 crore	
Largest Network	More than 5000 branches	



- CASA Deposits as percentage to the Total Deposits of the Bank is higher at 40.85% (YoY growth of 25.0%)
- Net Interest Income grew by 24.8%, while NIM improved to 3.57%
- Capital Adequacy Ratio (Basel II) is comfortable at 14.16%
- Earnings per Share increased to Rs. 123.86
- Backed by the profit of the Bank, the Board of Directors proposed a final Dividend of 120%, in addition to 100% interim dividend already paid.

Highlights of the performance for the quarter ended March 2010:

Profit

- **Net Profit** of the Bank for the quarter ended March 2010 (Q4) amounted to **Rs. 1135 crore** as against Rs 866 crore last year, registering a YOY growth of 31.1%.
 - **Net Profit of the Bank for Financial Year ended March 2010 amounted to Rs. 3905 crore as compared to Rs.3091 crore last year, recording a y-o-y growth of 26.4%.**
- **Core Net Profit** (excluding treasury operations) in Q4 FY 2010, **amounted to Rs 991 crore, registering yoy growth of 69.4%.**
 - **Core Net Profit (excluding treasury operations) in FY 2009-10 amounted to Rs 3170 crore registering a YOY growth of 43.5%.**
- **Operating Profit for Q4** stood at Rs 2332 crore as against Rs 1538 crore in Q4 March'10, registering a YOY growth of 51.7%.
 - **Operating profit of the Bank during the Financial Year ended March 2010 grew by 28.8 % to reach Rs 7326 crore from Rs 5690 crore.**
- **Core Operating Profit** (excluding treasury profit) in Q4 FY 2010, **amounted to Rs 2195 crore, registering yoy growth of 68.9%.**
 - **Core operating Profit (excluding treasury profit) in FY 2009-10 amounted to Rs 6523 crore registering a YOY growth of 29.8%.**

Business

- **Total Business** of the Bank crossed the landmark of Rs 4 lakh crore to reach Rs 4,35,931 crore as against Rs. 3,64,463 crore in March 2009, showing a y-o-y growth of 19.6%.
- **Deposits** of the Bank rose to Rs. 2,49,330 crore as on 31.03.2010 from Rs 2,09,760 crore as on 31.03.2009, exhibiting a y-o-y growth of 18.9%.
 - **CASA share** improved to 40.85% in FY 10 from 38.83% a year ago.
- **Advances** of the Bank at Rs. 1,86,601 crore as on 31.03.2010 grew by 20.6% (YoY) as against Rs.1,54,703 crore as on 31.03.2009.
- **Credit Deposit Ratio** improved to 74.84% as at March'10 from 73.75% in March'09.

Income

- **Total income for Q4 increased to Rs 6542 crore.**
 - *Total income rose by 12.8% to Rs 25032 crore while Interest Income at Rs.21467 crore grew by 12.2% YOY for Financial Year ended March'10. The growth has been lower on account of low credit off take and shifting of dividend income from liquid mutual fund (Rs302.58cr) from interest income on investments to non interest income.*
 - *Non-Interest Income increased to Rs.3565 crore as at Financial Year ended March'10 showing y-o-y growth of 16.3%.*
 - ✓ **Commission, Exchange and Brokerage** increased by healthy 22.2% on YOY basis to Rs.1682 crore.
 - ✓ **Trading Profit** of Rs 803 crore earned from sale of securities registered (YOY) growth 20.9%.

Important Ratios

- **Gross NPA to Gross Advances ratio** stood at **1.71%** as at March'10.
 - Bank has recognized Rs 338 crore as NPAs on account of Agricultural Advances eligible for debt relief due to non-payment of their share amount by the farmers by 31.03.2010, though the Govt has extended the scheme till June 2010. Excluding this amount, gross NPA ratio improves to 1.53%.
- **Net NPA to Net Advances ratio** stood at **0.53 %** as at March'10.
 - Excluding agricultural advances eligible for debt relief, net NPA ratio improves to 0.35%.
- **Provision Coverage Ratio** is at **81.17%** compared to RBI's stipulation of 70%. Excluding amount provided for debt waiver, the ratio is higher at 86.80%.
- **Net Interest Margin (NIM) has improved to 3.99%** for the quarter ended 31.03.2010 from 3.33% in corresponding quarter of last year.
 - **NIM rose to 3.57%** for FY ended March 2010 from 3.52% in FY ended March'09.
- **Return on Assets improved to 1.58%** in the quarter ended March 2010 as against 1.44% last year (FY 10 : 1.44% against 1.39% last year).
- Low interest/operating expenses and a satisfactory non-interest income growth led to substantial reduction in **Cost to Income Ratio of 32.05%** for the quarter ended March 2010 as against 43.29% last year (FY 10 : 39.39% against 42.50% last year).
- **Earnings per Share** rose to **Rs 144** (annualized) for the quarter ended 31.03.10 as against **Rs. 109.81** last year (FY 10 : Rs. 123.86 against Rs 98.03 last year).
 - **Book Value per Share** was higher at **Rs. 514.77** as at March 2010 from Rs 416.74 as on 31.03.09.

- **As per Basel II the CRAR is 14.16% as at end of March'10** (Tier-I Capital: 9.15 % Tier-II Capital: 5.01%).

Domestic Expansion:

- **145 new branches have been opened during Q4 ending March 2010** taking the total to **more than 5000** domestic branches as on date.

Priority Sector:

- PS advances grew by 25.6% to Rs 63,769 crore and accounted for 40.55% of Adjusted Net Bank Credit (ANBC) as against the stipulated ratio of 40%.
 - Outstanding Agricultural advances grew by 25.6% to Rs 30,207 crore, constituting 19.53% of ANBC and exceeding the stipulated ratio of 18%.
 - Issued **4.27 lakh Kisan Credit Cards (KCCs)** during Financial Year ended March'10, taking cumulative number of KCCs issued to **32.59 lakh** since inception.

Small & Medium Enterprise

- Credit to MSME sector reached Rs 35,034 crore including retail trade advances of Rs. 3808 crore at the end of March 2010, recording a YoY growth of 27.4%.
 - Seven SME HUBs set up at Delhi, Kolkata, Chennai, Mumbai, Ludhiana, Amritsar & Chandigarh.
- Operationalised **523** MSME specialized /focus branches to provide hassle free credit and single window services to SME borrowers.

Retail Credit

- Total Retail credit of the Bank marked a y-o-y increase of 20.5% to Rs 19,214 crore at the end of March 2010.
 - Good y-o-y growth in all key schemes i.e. Education loan (46%), Personal Loan (35%) and Housing loans (14%).

Financial Inclusion:

- By end March 2010, the Bank opened **70.97 lakh "No Frill"/PNB Mitra accounts**.
 - Amount outstanding: Rs. 909 crore.
 - Overdraft facility: 31,681 accounts with an amount outstanding at Rs. 285 lakh.
 - Issued more than 68,800 General Credit Cards.
- Under Branchless Banking model, the Bank is implementing **40 projects in 16 States**.
- The Bank launched an ambitious '**Project Namaskar**' under which 1 lakh touch points will be established in unbanked villages by 2013 to extend the Bank's outreach. Under this, **30 Kiosks have been opened** covering **119 Villages** reaching **1.32 Lakh beneficiaries**.

International Forays

- International presence in 9 countries, with branches at Kabul and Dubai, Hong Kong & representative offices at Almaty, Dubai, Shanghai and Oslo, a wholly owned subsidiary in UK, a joint venture with Everest Bank Ltd. Nepal and a JV banking subsidiary "DRUK PNB Bank Ltd." in Bhutan.
- Bank is pursuing upgradation of its representative offices in China & Norway and is in the process of setting up a representative office in Sydney, Australia and taking controlling stake in JSC Dana Bank in Kazakhstan.

I.T. Initiatives

- Bank is providing *'anytime anywhere'* service to its **5.6 crore valued customers through 100% CBS in 5077 SOLs**. All branches of 6 PNB sponsored RRBs have been migrated to CBS, 18 months ahead of schedule.
- Bank has installed 3544 ATMs facilitating more than 10 million ATM/Debit cardholders of the Bank transacting at more than 50,000 ATMs of various Banks and at around 4,86,000 POS terminals across the country.
- **Mobile Banking** has also been made available with features like access to accounts, viewing transaction details, transfer of funds, status of cheques, stopping payment of cheques etc.
- Bank has launched **PNB Platinum Debit Card** embedded with the brand equity of PNB and endorsed by Master Card for the premium customers with specified limits.

CSR initiatives

- Under **PNB Krishak Saathi** (Debt Swap Scheme), the Bank has financed **Rs.186 crore to 46445 farmers** during 2009-10.
- During 2009-10, the Bank conducted **7021 Kisan Goshthies with 2.75 lakh farmers**.
- Bank has 8 Farmers' Training Centres where more than **2.50 lac persons** have been trained till March 2010 at Bank's cost including more than **48,000 women**. **Each centre has adopted one village for development at a cost of Rs. 5 lakh each**.
- During 2009-10, **33** Human Health Check Up Camps, **97** Animal Health Check Up Camps and **49** visits to Agricultural Universities/Colleges/Fairs/Govt. Farms etc. were arranged.
- Launched a pioneering **"PNB Saathi Scheme"** to provide credit facility to milk pourers in Bulandshahr District, Uttar Pradesh with support of Mother Dairy.

Awards and Accolades:

- **Gold trophy of SCOPE Meritorious Award for Excellence in Corporate Governance 2009** by Standing Conference of Public Enterprises
- As per **Financial Express-Ernest & young (FE-EY) India's Best Banks Survey**, PNB is identified as the **best bank** among the nationalized banks in terms of overall ranking.
- As per **HT-MaRS Survey on Customer Satisfaction**, PNB stood **NUMBER ONE** in Delhi and Chennai in terms of customer satisfaction.
- As per the **Forbes Annual list of 2000 global giants**, **PNB tops the list of nationalized banks with a global ranking of 695, substantial improvement** over last year's placement at 946th position.
- The Economic Times has ranked **CEO of PNB as the 32nd Most Powerful CEO of 2010**.
- **Skoch Challenge Award 2010 for "Livelihood Linkage"** of the milk producers in Bulandshahr District, Uttar Pradesh.
- **IDC Financial Insights Innovation awards 2010** by IDC Financial Insights.

New Delhi

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