



*... the name you can BANK upon!*

## **Presentation on Performance for the Quarter/Year ended March'10**

**IUS \$= Rs. 44.9**



# We dare to dream We strive to reach



**OPERATING PROFIT**  
Rs. 7326 crore  
(Y.O.Y. Growth of 28.8%)



**NET PROFIT**  
Rs. 3905 crore  
(Y.O.Y. Growth of 26.4%)



**NET INTEREST MARGIN**  
3.57%



**BOOK VALUE (EPS)**  
Rs. 504.77



**RETURN ON ASSETS**  
1.44%



**TOTAL BUSINESS**  
Rs. 435931 crore  
(Y.O.Y. Growth of 19.6%)



**DEPOSITS**  
Rs. 2,49,330 crore  
(Y.O.Y. Growth of 18.9%)



**CASA**  
Rs. 1,01,849.9 crore  
(Y.O.Y. Growth of 25%)



**ADVANCES**  
Rs. 1,86,601 crore  
(Y.O.Y. Growth of 20.6%)

**पंजाब नैशनल बैंक**  
...भरोसे का प्रतीक !



**punjab national bank**  
... the name you can BANK upon !



## *PNB - An Introduction*

- *115 years of sound and prudent banking*
- *Consistent Financial Performance: Bank has earned operating profit every year since inception*
- *Bank has the 2<sup>nd</sup> Highest business among Banks, constituting over 5.0% of the total business done by Scheduled Commercial Banks in India*
- *Bank has the second largest network which facilitates a strong pan India presence through 5002 offices.*
- *Around 61% of branch network is in rural and semi urban areas, giving it an unparalleled reach in less banked locations*
- *Mergers: 7 Banks already merged with PNB*
- *Has a dominant presence in the rich and fertile Northern, Indo-Gangetic belt.*



## *Milestones of Progress ...*

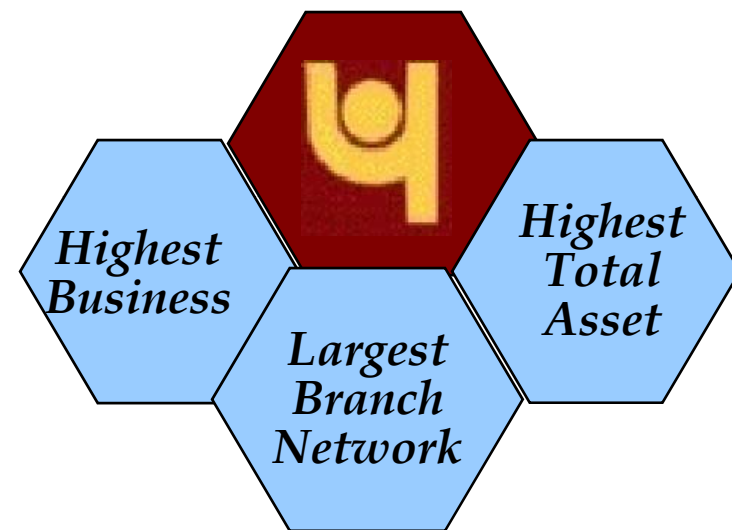
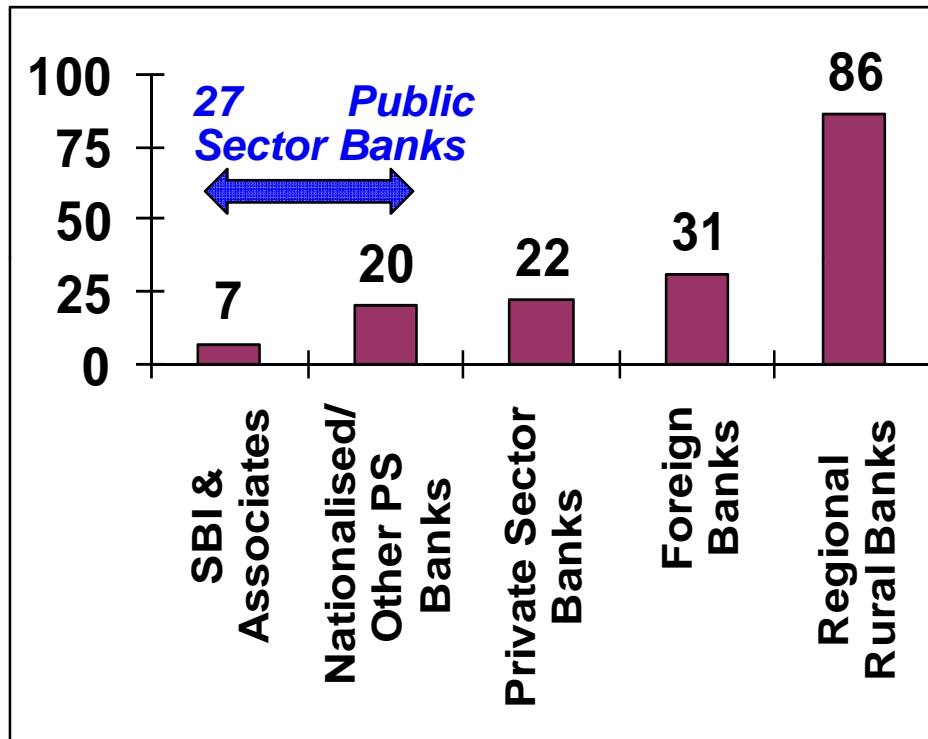
- 1895** First Bank fully owned, managed and administered by Indians founded by Nationalist visionaries at Lahore, undivided India
- 1947** Registered Office shifted to Delhi
- 1969** Bank Nationalized
- 1995** PNB Completes 100 years in April
- 2002** First branch migrates to Core Banking Solution [CBS]
- 2002** Initial Public Offer – Rs.165 crore [Share Premium Rs.21 per share]
- 2003** Crossed business of Rs.1,00,000 crore
- 2005** Follow on Public Offer – Rs.3,120 crore [Share Premium Rs.380 per share]. Issue over subscribed by ~16 times.
- 2005** Returned Capital to Govt.. Paid premium of Rs 1140 crore. Only Bank to have paid premium to Govt. on capital return
- 2007** Crossed business of Rs.2,00,000 crore
- 2008** All branches migrate to CBS
- Mar' 2009** Crossed business of Rs.3,00,000 crore
- Dec' 2009** Crossed business of Rs.4,00,000 crore
- Mar'2010** Crossed CASA deposits of Rs 100000 crore



# PNB - India's Leading Nationalised Bank

166 Scheduled Commercial banks  
in the Indian Banking System

Among the Nationalised  
Banks



Public Sector Banks share in total business of banking system has eroded from more than 93% in 1993 to 76% in 2009.

PNB maintained its share in System around 5- 6% during same period.

Ranked Second Strongest Bank in Asia Pacific by "The Asian Banker" (Singapore)



## *A Profile*

- Subsidiaries** : PNB International Ltd at UK with 4 branches  
PNB Housing Finance Ltd;  
PNB Gilts Ltd;  
PNB Investment Services Ltd
- Joint Ventures** : Everest Bank Ltd., Nepal  
Druk PNB Bank Ltd in Bhutan;  
India Factoring & Finance Solutions Pvt. Ltd;  
Principal PNB Asset Management Co. PVT. Ltd.;  
Principal Trustee Co. Pvt. Ltd.;  
UTI Asset Management Co. Ltd.;  
UTI Trustee Co. Pvt. Ltd.;  
Assets Care Enterprises Ltd.
- Sponsored Regional Rural Banks** : In 6 States of Bihar, UP , HP, Rajasthan, Punjab, Haryana . Branch Network of 1389 branches



## **International Ratings**

**Moody's rating Global Credit Research - 22 Feb 2010**

**Outlook Stable**

**Bank Deposits -Fgn Curr Ba1/NP**

**Bank Deposits -Dom Curr Baa2/P-2**

**Bank Financial Strength D+**

**Issuer Rating Baa2**

**Fitch Ratings-Mumbai/Singapore-09 March 2010:**

**(PNB) Long-term Issuer Default Rating (IDR) at 'BBB-',  
Short-term Foreign Currency IDR at 'F3', National Long-term  
rating at 'AAA(ind)',**

**Ind Support rating at '2'**

**Support rating floor at 'BBB-'.**

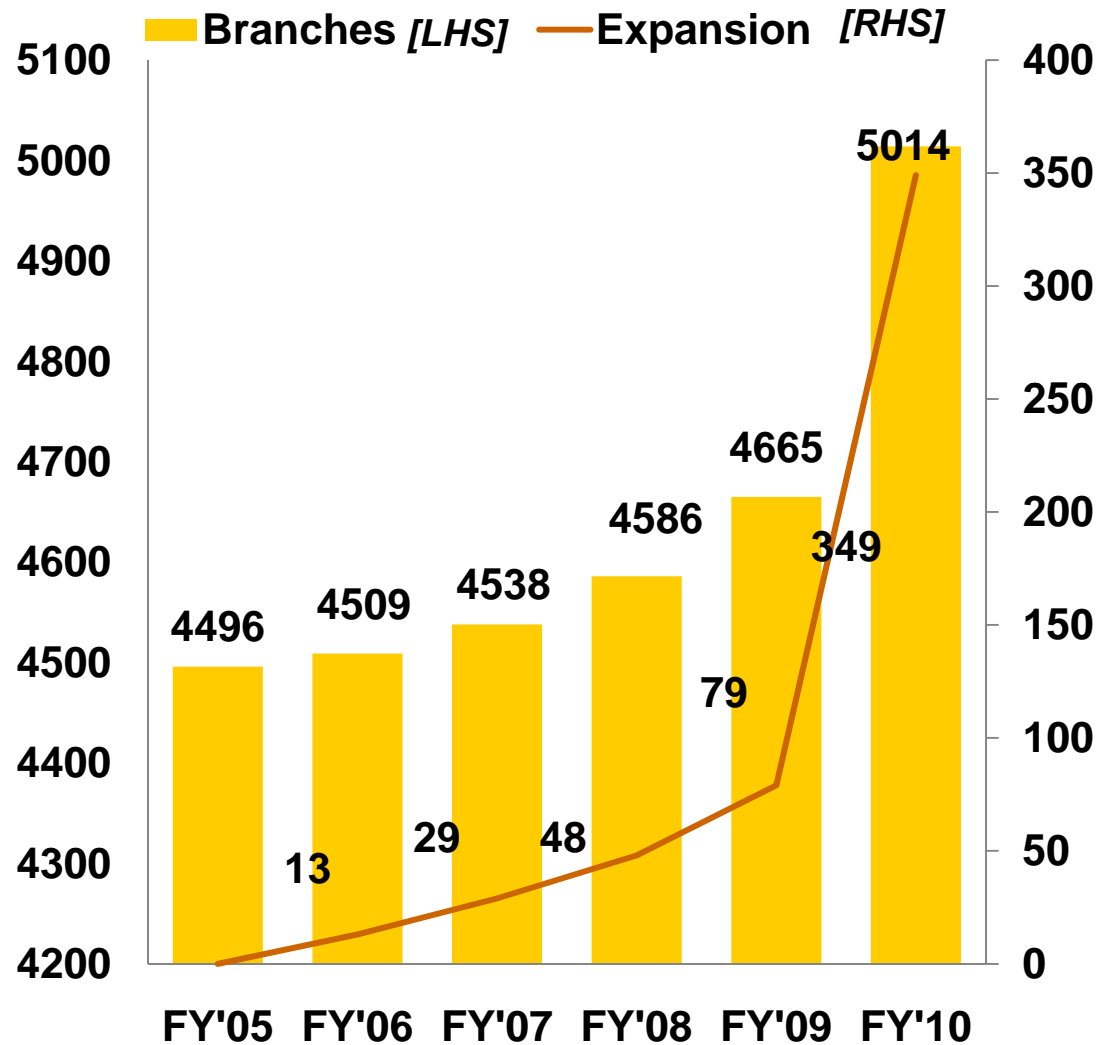
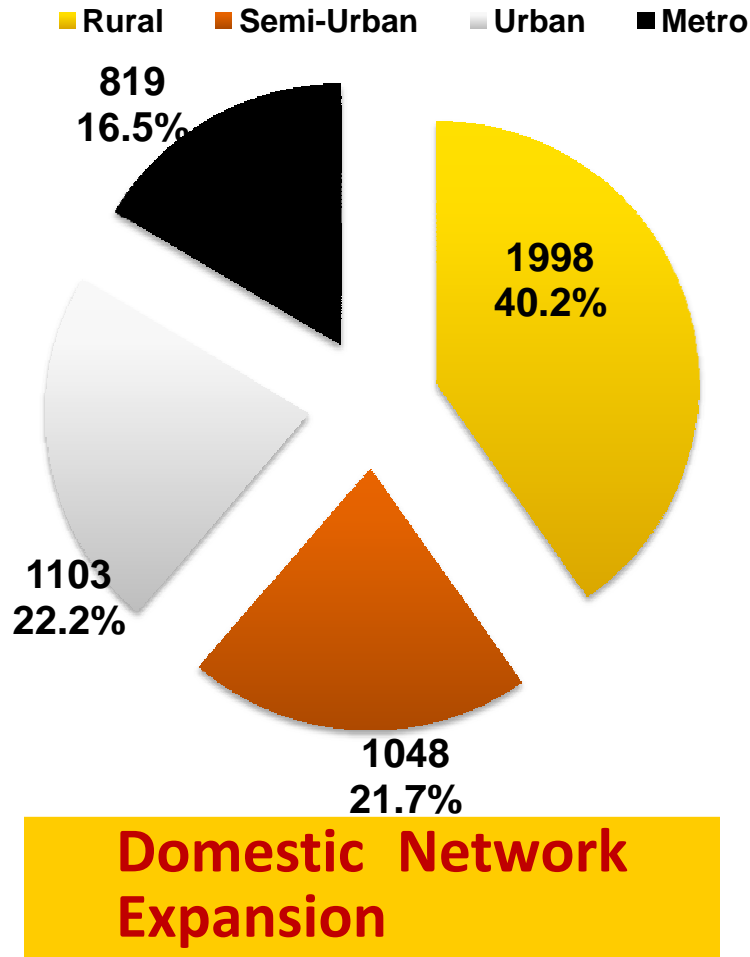
**PNB's subordinated lower tier 2 debt at 'AAA(ind)'**

**INR150bn certificates of deposit at 'F1+(ind)'.**

**Outlook : Long-term Rating is Stable.**



# Domestic Network







## *Overview of Performance*

<b>Operating Profit</b>	<b>:</b>	<b>1632 USD Mio</b>	<b>↑</b>	<b>28.80%</b>
<b>Net Profit</b>	<b>:</b>	<b>870 USD Mio</b>	<b>↑</b>	<b>26.40%</b>
<b>Total Business</b>	<b>:</b>	<b>97089 USD Mio</b>	<b>↑</b>	<b>19.60%</b>
<b>Deposits</b>	<b>:</b>	<b>55530 USD Mio</b>	<b>↑</b>	<b>18.90%</b>
<b>Credit</b>	<b>:</b>	<b>41559 USD Mio</b>	<b>↑</b>	<b>20.60%</b>
<b>Total Assets</b>	<b>:</b>	<b>66065 USD Mio</b>	<b>↑</b>	<b>20.10%</b>



# Profit

(in USD Mio)

Sl.	Parameters	Q4'	Q4'	Q3'	Variation (Q4'10 over Q4'09)	
		FY'09	FY'10	FY'10	Amt.	(%)
1	Interest Income	1140	1249	1200	109	9.6
2	Interest Expenses	743	693	708	-50	-6.8
3	NII (Spread) (1-2)	397	556	493	160	40.3
4	Other Income	207	208	189	1	0.4
5	Operating Expenses	261	245	277	-16	-6.3
6	Contribution (4-5)	-54	-37	-88	17	-32.1
7	<b>Operating Profit (3+6)</b>	<b>343</b>	<b>520</b>	<b>405</b>	<b>177</b>	<b>51.7</b>
8	Provisions	150	267	180	117	78.1
9	<b>Net Profit</b>	<b>193</b>	<b>253</b>	<b>225</b>	<b>60</b>	<b>31.1</b>



## *Quarter Profit from Core Operations*

(In USD Mio)

Particulars	Q4' FY09	Q4' FY10	Variation Q4'10 over Q4'09	
			Amt.	Growth (%)
Net Profit Declared	193	253	60	31.1
Treasury Trading Profit	53	31	-22	-42.2
Depreciation	-9	-1	8	-85.2
<b>Net Profit (Excluding Trading Profit + Depreciation)</b>	<b>130</b>	<b>221</b>	<b>90</b>	<b>69.4</b>
Operating Profit Declared	343	520	177	51.7
Treasury Trading Profit	53	31	-22	-42.1
<b>Core Operating Profit (Excluding Trading Profit)</b>	<b>290</b>	<b>489</b>	<b>199</b>	<b>68.8</b>



# Provisions

(In USD Mio)

Sl.	Particulars	Q4' FY 2009	Q4' FY 2010	Q3' FY 2010
1	Net Provision towards NPAs (Net of floating provisions)	31	103	73
2	Standard Advances	4	11	2
3	Standard Restructured	30	26	-18
4	Depreciation on Investment	-9	-1	9
5	Income Tax	101	128	117
6	Others	-6	0	-3
7	<b>Total Provision</b>	<b>150</b>	<b>267</b>	<b>180</b>



## Break-up : Income

(In USD Mio)

Sl.	Parameters	Qtr'4 2009	Qtr'4 2010	Qtr'3 2009	Variation (Q4'10 over Q4'09)	
					Amt.	(%)
1	Interest on Advances	880	964	934	84	9.6
2	Interest on Investments	255	273	260	18	7.2
3	Other Interest Income	4	11	6	7	148.8
4	Interest Income (1+2+3)	1140	1249	1200	109	9.6
5	Other Income	207	208	189	1	0.3
	of which					
6	Core Non-Interest Income.	132	146	137	15	11.1
7	Recovery in Written off a/cs	23	31	17	8	37.3
8	Trading Profit	53	31	35	-22	-42.2
9	<b>Total Income (4+5+6+7+8)</b>	<b>1347</b>	<b>1457</b>	<b>1389</b>	<b>110</b>	<b>8.2</b>

*Trading Profit includes Profit of 18.2 USD Mio from sale of 6.5% stake in UTI*



## Fee Based Income

(In USD Mio)

Sl.	Particulars	Q4' FY 2009	Q4' FY 2010	Q3' FY 2010
1	Bills	7	8	8
2	LC/LG	23	30	29
3	Locker Rent	3	3	3
4	Processing Fees	28	34	26
5	Income from 3 <sup>rd</sup> party prod.	0	1.3	0.7
6	Exchange Profit	9	27	17
7	Others	62	43	53
	<b>Total</b>	<b>132</b>	<b>146</b>	<b>137</b>



## ***Break-up : Expenditure***

(In USD Mio)

Sl.	Parameters	Q4'	Q4'	Q3'	Variation (Q4'10 over Q4'09)	
		FY'09	FY'10	FY'10	Amt.	(%)
1	Intt. Paid on Deposits	695	635	650	-60	-8.7
2	Intt. Paid on Borrowings	7	2	2	-5	-75.0
3	Others	41	56	55	15	37.4
4	<b>Total Interest Paid (1+2+3)</b>	<b>743</b>	<b>693</b>	<b>707</b>	<b>-50</b>	<b>-6.8</b>
5	Establishment Expenses	178	145	186	-33	-18.5
5a	Provision for wage Revision	50	6	22	-45	-88.9
5b	Estab. Expense excl. Prov.	128	140	163	12	9.0
6	Other Operating Expenses	83	100	91	16	19.8
7	<b>Operating Expenses (5+6)</b>	<b>261</b>	<b>245</b>	<b>277</b>	<b>-16</b>	<b>-6.3</b>
8	<b>Total Expenses (4+7)</b>	<b>1004</b>	<b>938</b>	<b>984</b>	<b>-67</b>	<b>-6.7</b>

\* Includes 12.5 USD Mio towards AS 15

# 5.6 USD Mio towards wage revision cumulative Provision 200.4 USD Mio which works to a hike of 21% as against the agreement of 17.5%.



## *Cost & Yield Ratio*

(Annualised)

Sl.	Particulars	Q4' FY 2009	Q4' FY 2010	Q3' FY 2010
1	Cost of Deposit [%]	6.24	4.88	5.16
2	Cost of Fund [%]	5.53	4.44	4.72
3	Yield on Advances [%]	11.18	10.22	10.44
4	Yield on Investment [%]	6.92	6.63	6.36
5	Yield on Fund [%]	8.28	7.76	8.19
6	Net Interest Margin [%]	3.33	3.99	3.64





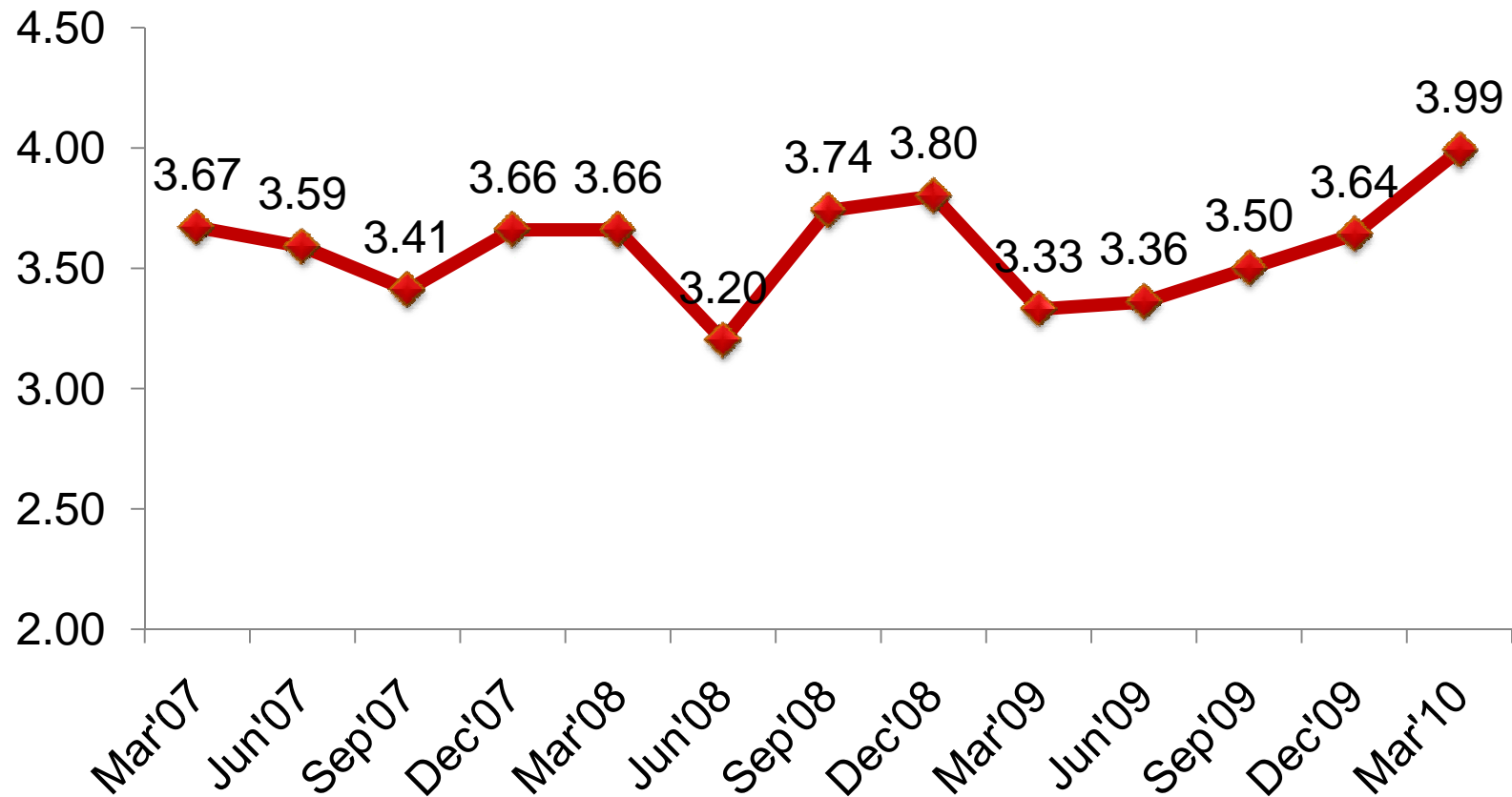
# Profitability Ratio

(Annualised)

Sl.	Particulars	Q4' FY 2009	Q4' FY 2010	Q3' FY 2010
1	Return on Assets [%]	1.44	1.58	1.51
2	Return on Net worth [%]	26.35	27.31	26.03
3	Opt. Profit to AWF [%]	2.49	3.23	2.71
4	Cost to Income Ratio [%]	43.29	32.05	40.58
5	Estb. Exp. To Total Exp [%]	17.76	15.52	18.84
6	Opt. Exp. To AWF [%]	1.95	1.52	1.85
7	Book Value per Share [in US \$]	9.3	11.8	11.0
8	Earnings per share [in US \$]	2.4	3.2	2.9



## Quarterly Net Interest Margin



\* Daily Average basis

**NIM for FY 2008-09: 3.52%**

**NIM for 2009-10: 3.57%**



## Profit: Full Year

(In USD Mio)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Variation	
					Y-O-Y	
					Amt.	(%)
1	Interest Income	3177	4260	4781	521	12.2
2	Interest Expenses	1945	2738	2883	145	5.3
3	NII (Spread) (1-2)	1233	1522	1898	377	24.8
4	Other Income	445	683	794	111	16.3
5	Operating Expenses	785	937	1061	124	13.2
6	Contribution (4-5)	-340	-254	-267	-12	4.9
7	<b>Operating Profit (3+6)</b>	<b>892</b>	<b>1267</b>	<b>1632</b>	<b>364</b>	<b>28.8</b>
8	Provisions	436	579	762	183	31.6
9	<b>Net Profit</b>	<b>456</b>	<b>688</b>	<b>870</b>	<b>181</b>	<b>26.4</b>



## Provisions: Full Year

(In USD Mio)

Particulars	Mar'08	Mar'09	Mar'10
1. Provisions for Depreciation on Investment (Net)	23	-48	15
2. Net Provision towards NPAs (Net of floating provisions)	84	182	221
3. Standard Assets	31	14	13
4. Standard Restructured	1	29	52
4. Others	19	28	16
5. Provisions made toward Income Tax (Including FBT & Wealth Tax)	278	373	445
<b>6. Total Provisions</b>	<b>436</b>	<b>579</b>	<b>762</b>



# Income : Full Year

(In USD Mio)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Variation	
					Y-O-Y	
					Amt.	(%)
1	Interest on Advances	2325	3248	3720	471	14.5
2	Interest on Investments	804	950	1019	69	7.3
3	Other Interest Income	48	62	42	-20	-32.1
4	Interest Income (1+2+3)	3177	4260	4781	521	12.2
5	Other Income	445	683	794	112	16.3
	of which					
	Core Non Interest Income	328	459	545	86	18.7
6	Trading Profit	98	148	179	31	20.8
7	Recovery in written off a/cs	18	76	70	-5	-7.1
8	<b>Total Income (4+5)</b>	<b>3622</b>	<b>4943</b>	<b>5575</b>	<b>633</b>	<b>12.8</b>

*Trading Profit includes Profit of 18.2 USD Mio from sale of 6.5% stake in UTI and 15.9 USD Mio from sale of 26% stake in PNB Housing Finance.*



## ***Fee –Based Income: Full Year***

( In USD Mio)

Sl.	Particulars	Mar'08	Mar'09	Mar'10
1	Bills	29	31	30
2	LC/BG	58	84	106
3	Locker Rent	8	10	11
4	Processing Fees	60	92	127
5	Income from 3 <sup>rd</sup> party prod.	-	0.7	2.2
6	Others	126	176	200
7	Exchange Profit	47	65	70
8	Total	328	459	545



## Expenditure : Full Year

(In USD Mio)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Variation	
					Y-O-Y	
					Amt.	(%)
1	Interest Paid on Deposits	1841	2576	2665	90	3.5
2	Interest Paid on Borrowings	13	27	12	-14	-54.6
3	Others	91	136	206	70	51.2
4	Total Interest Paid (1+2+3)	1945	2738	2883	145	5.3
5	Establishment Expenses	548	651	695	44	6.7
5a	Provision for wage Revision	22	111	67	-45	-40
5b	Estab. Expenses excl. Prov	526	540	628	88	16.4
6	Other Operating Expenses	237	286	366	80	28
7	Operating Expenses (5+6)	785	937	1061	124	13.2
8	<b>Total Expenses (4+7)</b>	<b>2730</b>	<b>3675</b>	<b>3943</b>	<b>268</b>	<b>7.3</b>



## **Cost & Yield Ratios : Full Year**

<b>Sl.</b>	<b>Particulars</b>	<b>Mar'08</b>	<b>Mar'09</b>	<b>Mar'10</b>
<b>1</b>	<b>Cost of Deposit [%]</b>	<b>5.59</b>	<b>6.25</b>	<b>5.38</b>
<b>2</b>	<b>Cost of borrowings [%]</b>	<b>7.98</b>	<b>7.52</b>	<b>8.04</b>
<b>3</b>	<b>Cost of Fund [%]</b>	<b>4.90</b>	<b>5.51</b>	<b>4.75</b>
<b>4</b>	<b>Yield on Advances [%]</b>	<b>10.36</b>	<b>11.41</b>	<b>10.37</b>
<b>5</b>	<b>Yield on Investment [%]</b>	<b>6.94</b>	<b>6.69</b>	<b>6.73</b>
<b>6</b>	<b>Yield on Funds[%]</b>	<b>8.01</b>	<b>8.43</b>	<b>7.89</b>
<b>7</b>	<b>Net Interest Margin [%]</b>	<b>3.58</b>	<b>3.52</b>	<b>3.57</b>





## ***Profitability Ratios : Full Year***

<b>Sl.</b>	<b>Particulars</b>	<b>Mar'08</b>	<b>Mar'09</b>	<b>Mar'10</b>
<b>1</b>	<b>Return on Assets[%]</b>	<b>1.15</b>	<b>1.39</b>	<b>1.44</b>
<b>2</b>	<b>Return on Net worth [%]</b>	<b>19</b>	<b>23.52</b>	<b>24.54</b>
<b>3</b>	<b>Operating Profit to AWF[%]</b>	<b>2.25</b>	<b>2.51</b>	<b>2.69</b>
<b>4</b>	<b>Cost to Income Ratio [%]</b>	<b>46.81</b>	<b>42.50</b>	<b>39.39</b>
<b>5</b>	<b>Estab. Exp. To Total Exp. [%]</b>	<b>20.09</b>	<b>17.72</b>	<b>17.62</b>
<b>6</b>	<b>Operating Exp. To AWF[%]</b>	<b>1.98</b>	<b>1.85</b>	<b>1.75</b>
<b>7</b>	<b>Book Value per Share[ in US \$]</b>	<b>7.62</b>	<b>9.28</b>	<b>11.46</b>
<b>8</b>	<b>Earnings per share [ in US \$]</b>	<b>1.45</b>	<b>2.18</b>	<b>2.76</b>



# Business

(In USD Mio)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Variation	
					Mar'09-Mar'10	
					Amt.	(%)
1	Total Business	63688	81172	97089	15917	19.6
2	Total Deposit	37073	46717	55530	8813	18.9
3	Total Advances	26615	34455	41559	7104	20.6
4	CD Ratio [%]	71.79%	73.75%	74.84%		



# Deposit

(In USD Mio)

Sl.	Parameters	Mar'08	Mar'09	Mar' 10	Variation	
					Mar'09-Mar'10	
					Amt.	(%)
1	Total Deposit	37073	46717	55530	8813	18.9
2	Bulk + CD	7978	10033	10762	729	7.3
2a	Bulk	5139	5567	4851	-716	-12.9
2b	CD	2839	4466	5911	1445	32.3
3	Core Deposit	28337	34803	42828	8024	23.1
4	Core Dep. To Total (%)	76.44	74.5	77.13		
5	SB Deposit	11976	13952	17402	3449	24.7
6	Current Deposit	3962	4190	5282	1092	26.1
7	CASA Deposit	15938	18143	22684	4541	25
8	Share of CASA (%)	42.99	38.83	40.85		



## Advances

( In USD Mio)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Share to Gross Non-food Credit	Variation	
						Mar'09-Mar'09	
						Amt.	(%)
1	Gross Domestic Advances	26794	33938	40386		6448	19
1a	Food Credit	699	719	728		9	1.2
1b	Non-Food Gross Bank Credit	26094	33219	39658		6439	19.4
	<i>of Which</i>						
2	Agriculture & Allied	4442	5358	6728	3.79	1370	25.6
3	Industry	11174	14626	19757	11.09	5131	35.1
3a	MSME Manufacturing	2576	3105	4601*	2.58	1496	48.2
3b	Large Industry	8598	11522	15156	8.51	3634	31.5
4	Retail Loans	3417	3552	4279	2.41	728	20.5
4a	Housing/Mortgage Loans	1822	2073	2363	1.34	291	14
4b	Personal Loans	231	229	310	0.18	81	35.5
4c	Education Loans	231	347	506	0.29	159	45.7
4d	Other Retail Loans	1134	902	1099	0.62	197	21.8
5	Commercial Real Estate Sector	2078	3273	3398	1.92	125	3.8
6	Services & Others	4983	6411	5496	3.10	-914	-14.3

\* Gross MSME 7802.7 USD Mio including traders loan



# ***Advances- Sectoral Deployment*** (In USD Mio)

Major Industry wise Deployment	Mar'08		Mar'09		Mar'10	
	Amt.	Industry Share (%)	Amt.	Industry Share (%)	Amt.	Industry Share (%)
Mining @ Quarrying	153	1.4	168	1.17	243	1.2
Food Processing	1112	10	1136	7.89	740	3.7
Textiles	1257	11.3	960	6.67	1348	6.8
Chemical & Chemical Products	559	5	524	3.64	592	3
-Cement & Cement Products	207	1.8	177	1.23	256	1.3
Basic Metal & Metal Products	1764	15.8	1778	12.35	1982	10
-Iron & Steel	1427	12.8	1585	11.01	1742	8.8
Engineering Products	556	5	736	5.11	589	3
Infrastructure	3322	29.7	4436	30.8	5184	26.2
-Power	1687	15.1	1735	12.04	2118	10.7
-Tele-Communication	487	4.4	1157	9.58	1143	5.8
Industry (Small, Medium, large)	11174	-	14626	-	19757	-



# ***Investment***

(In USD Mio)

Sl.		Mar'08	Mar'09	Mar'10
1	Gross Investment	12230	14201	17385
2	Held To Maturity (HTM)	8780	10769	13589
3	Available For Sale (AFS)	3449	3384	3112
4	Held For trading (HFT)		47	684
5	Duration (AFS)	2.18	2.58	2.34
6	Modified Duration (AFS)	2.06	2.45	2.23
7	Duration Total Portfolio	4.15	4.67	4.66
8	Modified Duration Total Portfolio	3.98	4.5	4.49
9	Net demand & time Liabilities	37817	47372	55982
10	SLR (%)	25.89	27.5	26.04
11	HTM To SLR (%)	88	86	89
12	HTM To Gross Investment (%)	72	76	78



## *Non-Performing Assets*

( In USD Mio)

Sl.	Parameters	Mar'08	Mar'09	Mar'10
1	NPA as at the beginning of Yr.	755	673	558
2	Cash Recovery	231	296	212
3	Upgradation	81	100	73
4	Write Off	138	104	190
5	Total Reduction (2+3+4)	451	500	475
6	Fresh Addition	435	386	632
7	Gross NPAs end period	673	558	716
8	Eligible Deductions including Provisions	436	500	497
9	Net NPAs	168	59	219
10	Recovery in written-off debt A/Cs	18	76	70

➤ Excluding 75.3 USD Mio impact of slippage from Debt relief, closing Gross NPA would be 640.7 USD Mio.



## *NPA Ratios*

(In per cent)

Sl.	Parameters	Mar'08	Mar'09	Mar'10	Mar'10
			Declared		Excl Ag Debt Relief NPA
1	Net NPA (%)	0.64	0.17	0.53	0.35
2	Gross NPA (%)	2.5	1.6	1.71	1.53
3	NPA Coverage Ratio (%)	83.53	93.51	81.17	86.80

**# 75.3 USD Mio added to NPA on account of unrecovered amount of Debt Relief**





## **Restructured Accounts**

(In USD Mio)

Sl.	Particulars	No.	Amt.
1	Below Rs. 1 Crore	14625	137
2	Rs. 1 Crore & above	582	2557
3	<b>Total</b>	<b>15207</b>	<b>2694</b>
3a	of which up to Mar'09	12658	908
3b	During April'09 to Mar'10	2549	1786
	<b>Of Total account restructured as at 3 above</b>		
4	Standard A/c restructured	14357	2613
5	NPA A/c restructured	850	81
	<b>Of Standard a/c restructured as at 4 above</b>		
6	Accounts slipped to NPA	755	173



## Sectorwise Restructured Accounts

(In USD Mio)

Sl.	Restructured Accounts	No. of Borrowers	Amt. Restrct.	Diminution in Fair Value
1	Under CDR	14	380	42
2	Under SME	159	65	1
3	Others (Non-CDR)	2376	1342	24
<b>Cumulative since 01.04.08 to 31.03.10</b>				
3a	Below Rs 1cr	14625	137	-
3b	Rs 1 cr & above	582	2557	-
4	<b>Total</b>	<b>15207</b>	<b>2694</b>	<b>-</b>

Sl.	Particulars	Mar'09	Mar'10	Total
1	Agriculture	7	14	21
2	Housing	4	1	5
3	Real Estate	104	208	312
4	Industry	546	1459	2005
	of which			
	Aviation	4	144	148
	Drilling	0	244	244
	Hotel	15	115	130
	Infrastructure	132	194	325
	Iron & Steel	68	346	414
	Paper	47	56	103
	Pharmaceutical	30	20	50
	Sugar	18	98	116
	Textiles	158	139	298
	Trading	29	6	35
5	Others	247	104	351
	<b>Total</b>	<b>908</b>	<b>1786</b>	<b>2694</b>



## *Capital Adequacy (Basel II)*

(In USD Mio)

Sl.	Particulars	Mar'08	Mar'09	Mar'10
	<b>Capital Fund</b>			
<b>1</b>	<b>Tier I</b>	<b>2552</b>	<b>3073</b>	<b>3837</b>
<b>2</b>	<b>Tier II</b>	<b>1278</b>	<b>1731</b>	<b>2124</b>
<b>3</b>	<b>Total (Tier I+II)</b>	<b>3830</b>	<b>4804</b>	<b>5961</b>
<b>4</b>	<b>Risk-weighted Assets</b>	<b>28465</b>	<b>34230</b>	<b>42099</b>
<b>5</b>	<b>Capital Adequacy Ratio (%)</b>	<b>13.46</b>	<b>14.03</b>	<b>14.16</b>
<b>6</b>	<b>Tier I (%)</b>	<b>8.97</b>	<b>8.97</b>	<b>9.11</b>
<b>7</b>	<b>Tier II (%)</b>	<b>4.49</b>	<b>5.06</b>	<b>5.05</b>



## *Ratios: Productivity & Market Share*

<b>Sl.</b>	<b>Parameters</b>	<b>Mar'08</b>	<b>Mar'09</b>	<b>Mar'10</b>
<b>1</b>	<b>Deposit Market Share (%)</b>	<b>5.01</b>	<b>5.17</b>	<b>5.24</b>
<b>2</b>	<b>Credit Market Share (%)</b>	<b>5.04</b>	<b>5.31</b>	<b>5.33</b>
<b>3</b>	<b>Business Per Branch (in USD Mio)</b>	<b>1.48</b>	<b>1.80</b>	<b>1.94</b>
<b>4</b>	<b>Business Per Employee (in USD Mio)</b>	<b>0.11</b>	<b>0.15</b>	<b>0.18</b>



# Subsidiaries

## PNB Housing Finance Ltd

- 74% subsidiary of bank
- For financing housing/urban development. *(USD Mio)*

	Mar'09	Mar'10
Net Worth	46.1	59.5
Total Loans	487.1	558.6
PAT	11.8	14.9

## PNB Gilts

- PNB holds 74.07% of capital
- Leading Primary dealer in Govt. securities *(USD Mio)*

	Mar'09	Mar' 10
Net Worth	119.8	124.3
Capital Adequacy [%]	26.0	41.0
PAT	5.3	8.2

## PNB International Ltd

- 100% subsidiary of bank in London
- Started in May'07. Earned profit in the first year of operation *(USD million)*

	Mar'09	Mar' 10
Net Worth	78.2	106.63
Total Loans	373.3	569.24
PAT	2.6	4.01

## PNB Investment Services Ltd

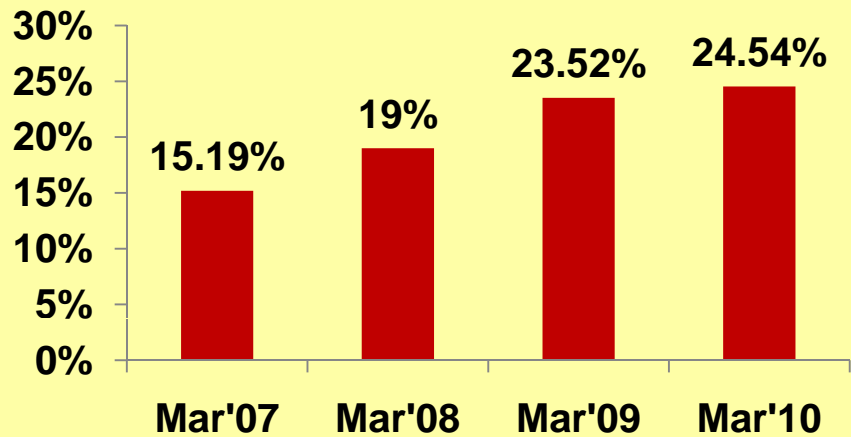
- 100% subsidiary of bank
- Operationalised in September 2009 *(USD Mio)*

	Mar'09	Mar'10
Net Worth	NA	4.5
Turnover	NA	0.50
PAT	NA	0.23

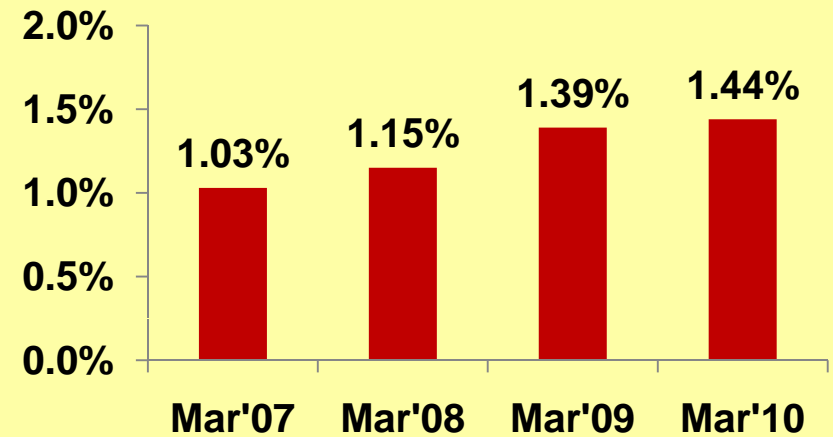


# Value For Stakeholders

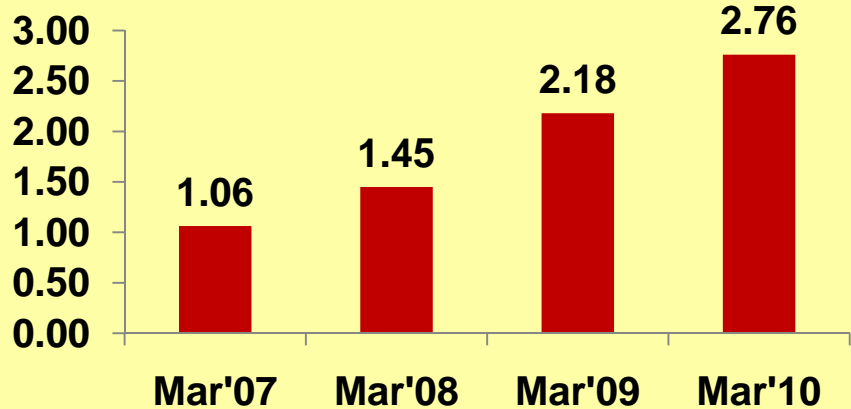
### Return on Equity



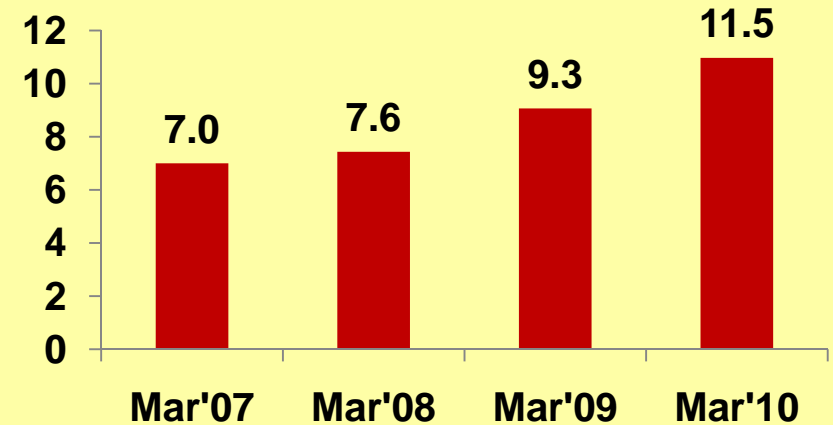
### Return on Assets



### (US \$) Earning per Share



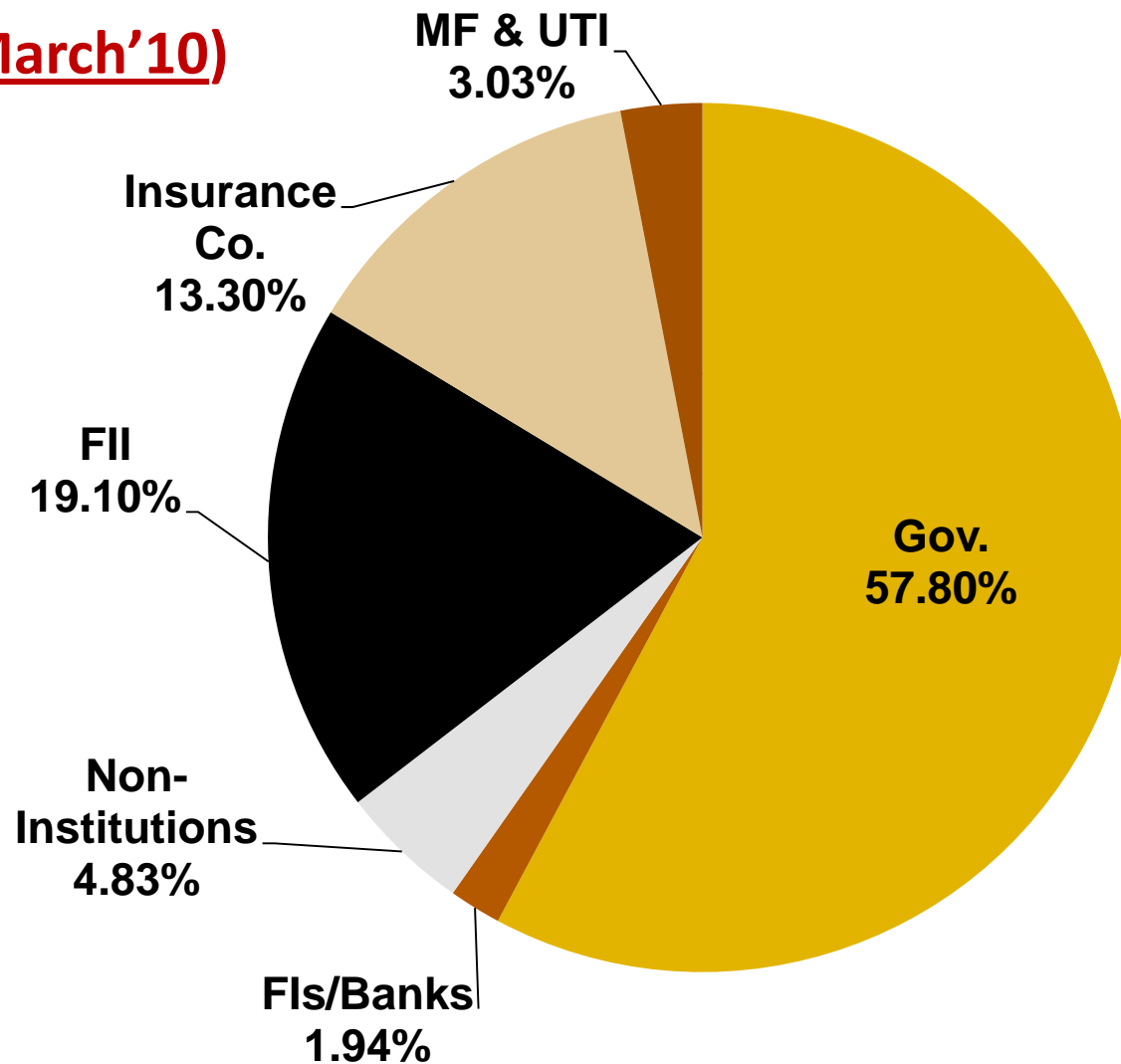
### (US \$) Book Value per share





# *Shareholding Pattern*

(As on 31<sup>st</sup> March'10)





## **Robust Technology Platform**

- ❖ All branches networked with Core Banking Solution (CBS).
- ❖ **CBS platform upgraded with Oracle RAC** (Real Application Cluster) to meet scalability and availability. First Finacle CBS setup to have RAC
- ❖ **5116 Service Outlets (SOLs) at 2694 centers** across the country facilitating around 56 million account holders with “Anytime and Anywhere” Banking.
- ❖ A world class **Security Operations Centre (SOC)** to monitor , manage the Security setup of the bank’s centralized technology activities first of its kind for any Bank in the country.
- ❖ **First nationalized bank** to implement an Enterprise-wide Data warehouse to integrate Data from multiple source systems and provide MIS and data feed to Anti Money Laundering and Operational Risk Solution.
- ❖ Operational Risk Solution operationalised to monitor compliance with BASEL II requirements.
- ❖ **Effective and seamless integration** with payment systems like RTGS, NEFT. ECS facility enabled at all 49 centres.
- ❖ All 6 PNB Sponsored RRBs 100% CBS compliant covering 1416 SOLs.





## ***Current Overseas Presence***

Type of office		Destination	Date of Commencement of operations
Branch	1	Offshore Banking Unit, Mumbai	25 <sup>th</sup> September, 2003
	2	Kabul, Afghanistan	26 <sup>th</sup> July 2004
	3	Hong Kong Main	17 <sup>th</sup> December 2007
	4	Kowloon	2 <sup>nd</sup> April 2009
	5	DIFC, Dubai	20 <sup>th</sup> December 2009
Subsidiary	1	UK,(PNBIL) (4)	10 <sup>th</sup> May 2007
	2	DRUK PNB Bank Ltd. (2)	27 <sup>th</sup> January 2010
Joint Venture	1	Kathmandu, Nepal (Everest Bank Limited)	January, 1997
Rep. Offices	1	Almaty, Kazakhstan	23 <sup>rd</sup> October, 1998
	2	Shanghai, China	3 <sup>rd</sup> September 2004
	3	Dubai, UAE	29 <sup>th</sup> June, 2005
	4	Oslo, Norway	1 <sup>st</sup> October 2008 <sup>41</sup>



## *Increasing Global Footprints...*

Bank is in the process of :

- Upgrading its Representative Offices in China and Norway to branch .
- Setting up of representative office in Sydney, Australia.
- Acquiring 63.64% stake with management control in JSC Dana Bank in Kazakhstan
- Setting up of a wholly owned subsidiary in Canada, head quartered at Vancouver.



## *Recognitions...*

- ***Golden Peacock Innovative Product/Service Award 2010.***
- ***Golden Peacock Award for Excellence in Corporate Governance (2009).***
- ***“Best Corporate Social Responsibility Practice” 2010 awarded by Bombay Stock Exchange.***
- ***Gold trophy of SCOPE Meritorious Award for ‘Excellence in Corporate Governance 2009’.***
- ***India Pride Awards for excellence in PSU (2009) presented by Dainik Bhaskar.***
- ***IT: 3 Awards – CIO 100 Awards (2009); Emerson Uptime Champion Award and IBM information on Demand (2009).***
- ***Skoch Challenge Award 2010 for “Livelihood Linkage” of the milk producers in Bulandshahar District, UP.***
- ***As per Forbes Annual list of 2000 global giants , PNB tops the list of Nationalised banks with a global ranking of 695.***





## *Recognitions.....*

- *As per Financial Express-Ernest & Young India's best Bank's Survey , PNB is identified as the Best Bank among the nationalised banks in terms of overall ranking.*
- *As per ET Corporate Dossier survey CEO of PNB has been ranked as the 32<sup>nd</sup> most powerful CEO of 2010.*



## *Going Ahead.....*

- *Leverage on Technology & franchise to offer excellent customer service & diversify income streams.*
- *Remain proactive in the emerging dynamic financial situation and strive to maintain the margins through variety of products & services.*
- *Selectively advancing Global footprints.*
- *'Project Namaskar' to establish 1 Lac Touch Points by 2013.*



*Thank You*