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THIS DISCLOSURE DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. THIS DISCLOSURE DOCUMENT IS PREPARED IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES) REGULATIONS, 2013, SECURITIES AND EXCHANGE BOARD OF INDIA'S CIRCULAR ON ISSUES PERTAINING TO PRIMARY ISSUANCE OF DEBT SECURITIES ISSUED VIDE CIR/IMD/DF/18/2013 DATED OCTOBER 29, 2013 READ WITH SEBI CIRCULAR NO CIR/IMD/DF-1/122/2016 DATED NOVEMBER 11, 2016, SEBI/HO/DDHS/CIR/P/2020/198 DATED OCTOBER 05, 2020, SEBI/HO/DDHS/CIR/P/2020/199 DATED OCTOBER 06, 2020, AND SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS 2015 AND THE RBI CIRCULAR DBR.No.BP.BC.1/21.06.201/2015-16 DATED JULY 01, 2015 READ WITH RBI CIRCULAR DBR.No.BP.BC.71/21.06.201/2015-16 DATED JANUARY 14, 2016 AND RBI CIRCULAR DBR.BP.BC.NO.50/21.06.201/2016-17 DATED FEBRUARY 02, 2017, EACH AS AMENDED FROM TIME TO TIME



PUNJAB NATIONAL BANK

(A Government of India Undertaking)

Constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970

Head Office: Plot No. 4, Sector – 10, Dwarka,

New Delhi- 110 075

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DISCLOSURE DOCUMENT

DISCLOSURE DOCUMENT FOR PRIVATE PLACEMENT OF UNSECURED, SUBORDINATED, PERPETUAL, NON-CONVERTIBLE, TAXABLE, BASEL III COMPLIANT ADDITIONAL TIER 1 BONDS SERIES XII OF FACE VALUE RS. 10 LACS EACH (FOR CASH AT PAR) AGGREGATING TO TOTAL ISSUE SIZE NOT EXCEEDING RS. 1,000 CRORE, WITH A BASE ISSUE SIZE OF RS. 300 CRORE AND A GREEN SHOE OPTION TO RETAIN OVERSUBSCRIPTION UP TO RS. 700 CRORE (the "ISSUE") BY PUNJAB NATIONAL BANK ("PNB"/ THE "ISSUER"/ THE "BANK"), FOR INCLUSION IN ADDITIONAL TIER 1 CAPITAL OF THE BANK

GENERAL RISK

For taking an investment decision, investors must rely on their own examination of the Issuer and the Offer including the risks involved. The Bonds have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document. The Bonds are capital instruments and not deposits of the Bank and they cannot be used as Collateral for any loan made by the Bank or any of its subsidiaries or affiliates. The Bonds are different from fixed deposits and are not covered by deposit insurance. Unlike the fixed deposits where deposits are repaid at the option of the deposit holder, the Bonds are not redeemable at the option of the Bondholders or without the prior consent of RBI. The Bonds are subject to features like coupon discretion, write off at pre-specified levels & PONV, which may impact the payment of interest and principal. RBI has the absolute right to direct the Bank to write down the entire value of its outstanding AT1 instruments/bonds, if it thinks the Bank has passed the Point of Non Viability (PONV), or requires a public sector capital infusion to remain a going concern. Please refer to 'Permanent principal write-down on PONV Trigger Event' in the Summary Term Sheet for further details.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Disclosure Document contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Disclosure Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

The current issue of Bonds has been rated as "IND AA" with stable outlook by India Rating & Research Private

PUNJAB NATIONAL BANK BASEL III ADDITIONAL TIER I BONDS SERIES XII



Ltd. ("IRRPL") and "BWR AA" with stable outlook by Brickwork Ratings India Private Ltd ("BRIPL").

Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The Rating(s) are not a recommendation to buy, sell or hold securities and Investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning Rating Agencies on the basis of new information. Each rating should be evaluated independent of any other rating.

LISTING

The Bonds shall be listed on the Debt Segment of BSE Limited ("BSE")

DEBENTURE TRUSTEE TO THE ISSUE		REGISTRAR TO THE ISSUE	
 SBICAP Trustee Company Ltd. Apeejay House, 6 th Floor, 3, Dinshaw Wachha Road, Churchgate, Mumbai - 400020 +91-22- 4302 5555 www.sbicaptrustee.com	SBICAP Trustee Company Ltd. Apeejay House, 6 th Floor, 3, Dinshaw Wachha Road, Churchgate, Mumbai - 400020 +91-22- 4302 5555 www.sbicaptrustee.com	 Alankit Assignments Ltd. 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi 110055 Tel No. 011 – 4254 1234 Fax: 011 – 2355 2001 E-mail: info@alankit.com www.alankit.com	Alankit Assignments Ltd. 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi 110055 Tel No. 011 – 4254 1234 Fax: 011 – 2355 2001 E-mail: info@alankit.com www.alankit.com

INTERNAL LEGAL ADVISOR FOR THE ISSUE

Mr. Ashok Kumar Mishra
 Deputy General Manager - Law Division, Punjab National Bank
 Plot No. 4, Sector – 10, Dwarka, New Delhi - 110 075, Tel No: +91-011 26196451, E-mail: law@pnb.co.in

ISSUE SCHEDULE

ISSUE OPENS ON BSE (EBP)	21.01.2021 (Thursday)
ISSUE CLOSURES ON BSE (EBP)	21.01.2021 (Thursday)
PAY IN DATES	22.01.2021 (Friday)
DEEMED DATE OF ALLOTMENT	22.01.2021 (Friday)
MINIMUM BID LOT	Rs.1.00 Crore with Bid Value Step Size of Rs. 1.00 Crore

The Issuer reserves the right to prepone the Issue Schedule earlier from the aforesaid date or postpone the Issue at its sole and absolute discretion without giving any reasons or prior notice. In the event of any change in the above Issue programme, the Issuer will intimate the Investors about the revised issue programme.

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I. DEFINITIONS/ ABBREVIATIONS

Allotment/ Allot/ Allotted	The issue and allotment of the bonds to the successful applicants in the Issue
Allottee	A successful Applicant to whom the Bonds are allotted pursuant to the Issue, either in full or in part
Applicant/ Investor	A person who makes an offer to subscribe the Bonds pursuant to the terms of this Disclosure Document and the Application Form
Application Form	The form in terms of which the Applicant shall make an offer to subscribe to the Bonds and which will be considered as the application for allotment of Bonds in the Issue (attached with the Disclosure Document)
ATM	Automated Teller Machine
BASEL III Guidelines	The Term Basel-III Guidelines in the DISCLOSURE DOCUMENT & Term Sheet and notes to Term Sheet refers to Master Circular - Basel III Capital Regulations, RBI/2015-16/58 DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 read with RBI circular DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 and RBI circular DBR.BP.BC.No.50/21.06.201/2016-17 dated February 2, 2017, each as amended from time to time.
Beneficial Owner(s)	Bondholder(s) holding Bond(s) in dematerialized form (Beneficial Owner of the Bond(s) as defined in clause (a) of sub-section of Section 2 of the Depositories Act, 1996)
Board/ Board of Directors	The Board of Directors of Punjab National Bank or Committee thereof unless otherwise specified
Bonds	Unsecured, subordinated, perpetual, non-convertible, taxable, Basel III compliant additional Tier 1 Bonds Series XII of face value Rs. 10 lacs each (for cash at par) aggregating to total issue size not exceeding Rs. 1,000 crore, with a base issue size of Rs. 300 crore and a green shoe option to retain oversubscription up to Rs. 700 Crore (the "Issue") by Punjab National Bank through private placement route under the terms of this Disclosure Document
Bondholder(s)	Any person or entity holding the Bonds and whose name appears in the list of Beneficial Owners provided by the Depositories
BRIPIL	Brickwork Ratings India Private Ltd
BSE	BSE Limited
Business Day(s)	A day on which commercial banks are open for business in Mumbai and on which money market is functioning in Mumbai.
CDSL	Central Depository Services (India) Ltd.
Debt Securities	Non-Convertible debt securities which create or acknowledge indebtedness and include debenture, bonds and such other securities of a body corporate or any statutory body constituted by virtue of a legislation, whether constituting a charge on the assets of the Bank or not, but excludes security bonds issued by Government or such other bodies as may be specified by SEBI, security receipts and securitized debt instruments
Deemed Date of Allotment	The cut-off date declared by the Bank from which all benefits under the Bonds including interest on the Bonds shall be available to the Bondholder(s). The actual allotment of Bonds (i.e., approval from the Board of Directors or a Committee thereof) may take place on a date other than the Deemed Date of Allotment
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant	A Depository participant as defined under Depositories Act
Designated Stock Exchange	BSE
Director(s)	Director(s) of Punjab National Bank unless otherwise mentioned
Disclosure Document	Disclosure document dated 21.01.2021 for private placement of Unsecured, subordinated, perpetual, non-convertible, taxable, Basel III compliant additional Tier 1 Bonds Series XII

	of face value Rs. 10.00 lacs each (for cash at par) aggregating to total issue size not exceeding Rs. 1,000 crore, with a base issue size of Rs. 300 crore and a green shoe option to retain oversubscription up to Rs. 700 crore (the "Issue") by Punjab National Bank
DP	Depository Participant
DRR	Bond/ Debenture Redemption Reserve
EBP	Electronic Bidding Platform
EBP Platform	Electronic Bidding Platform of BSE
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIs	Foreign Institutional Investors
Financial year/ FY	Period of twelve months period ending March 31, of that particular year
Gol	Government of India / Central Government
HUF	Hindu Undivided Family
Issuer/ PNB/ Bank	Punjab National Bank, constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and having its Head Office at Dwarka, New Delhi 110 075, India
I.T Act	The income Tax Act, 1961, as amended from time to time
IRRPL	India Ratings & Research Pvt. Ltd.
Listing Agreement	Listing Agreement for debt securities executed by the Bank with BSE pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 issued by Securities and Exchange Board of India
MF	Mutual Fund
MoF	Ministry of Finance
NPAs	Non Performing Assets
NRIs	Non Resident Indians
NSE	National Stock Exchange of India Ltd.
NSDL	National Securities Depository Ltd.
OCBs	Overseas Corporate Bodies
PAN	Permanent Account Number
GIR	General Index Registration Number
PLR	Prime Lending Rate
Private Placement	An offer or invitation to subscription of Bonds on private placement basis.
Rs.	Indian National Rupee
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
RBI Guidelines	Please refer to RBI Master Circular on Basel III Capital Regulations issued vide circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 read with RBI circular DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 and RBI circular DBR.BP.BC.No.50/21.06.201/2016-17 dated February 2, 2017, each as amended from time to time
Record Date	Reference date for payment of interest/ principal
Registrar	Registrar to the Issue, in this case being Alankit Assignments Ltd.
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Regulations	Securities and Exchange Board of India (Issue And Listing Of Non-Convertible Redeemable Preference Shares) Regulations, 2013, Securities and Exchange Board of India's circular on issues pertaining to primary issuance of debt securities issued vide CIR/IMD/DF/18/2013 dated October 29, 2013 read with SEBI circular no CIR/IMD/DF-1/122/2016 dated November 11, 2016, SEBI/HO/DDHS/CIR/P/2020/198 dated October 05, 2020, SEBI/HO/DDHS/CIR/P/2020/199 dated October 06, 2020, and SEBI (Listing Obligations And Disclosure Requirements), Regulations 2015, each as amended from time to time
SLR	Statutory Liquidity Ratio

Trustee	Trustee for the Bondholders in this case being SBICAP Trustee Company Ltd
TDS	Tax Deducted at Source
The Act	Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970
The Issue/ The Offer/ Private Placement	Private Placement of the Bonds by the Bank

II. DISCLAIMER

1. DISCLAIMER OF THE ISSUER:

This Disclosure Document is neither a Prospectus nor a Statement in Lieu of Prospectus and is prepared in accordance with Securities and Exchange Board of India Circular on Issues pertaining to primary issuance of debt securities issued vide circular no. CIR/IMD/DF/18/2013 Dated October 29, 2013 read with SEBI Circular no CIR/IMD/DF-1/122/2016 dated November 11, 2016, SEBI/HO/DDHS/CIR/P/2020/198 dated October 05, 2020, SEBI/HO/DDHS/CIR/P/2020/199 dated October 06, 2020, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulation, 2013 and RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 read with RBI circular DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 and RBI Circular DBR.BP.BC.NO.50/21.06.201/2016-17 dated February 2, 2017, each as amended from time to time. This Disclosure Document does not constitute an offer to public in general to subscribe for or otherwise acquire the Bonds to be issued by the Bank. This Disclosure Document is for the exclusive use of the addressee and restricted for only the intended recipient and it should not be circulated or distributed to third party (ies). It is not and shall not be deemed to constitute an offer or an invitation to the public in general to subscribe to the Bonds issued by the Issuer. This bond issue is made strictly on private placement basis. Apart from this Disclosure Document, no offer document or prospectus has been prepared in connection with the offering of this bond issue or in relation to the issuer.

The bond issue will be under the electronic book mechanism as required in term of the Securities And Exchange Board Of India circular SEBI/HO/DDHS/CIR/P/2018/05 dated January 05, 2018 and circular SEBI/HO/DDHS/CIR/P/2018/122 dated August 16, 2018 and any amendments thereto ("SEBI EBP Circular") read with operational guidelines for issuance of securities on private placement basis through an "Electronic Book Mechanism" issued by BSE vide their Notice no 20180928-24 dated September 28, 2018 ("BSE EBP Operating Guidelines") and any amendment thereto. (The SEBI EBP Circular and BSE EBP Operating Guidelines shall be hereinafter be collectively referred to as "Operational Guidelines").

This Disclosure Document is not intended to form the basis of evaluation for the prospective subscribers to whom it is addressed and who are willing and eligible to subscribe to the bonds issued by the Bank. This Disclosure Document has been prepared to give general information regarding the Bank to parties proposing to invest in this Issue of Bonds and it does not purport to contain all the information that any such party may require. The Bank believes that the information contained in this Disclosure Document is true and correct as of the date hereof. The Bank does not undertake to update this Disclosure Document to reflect subsequent events and thus prospective subscribers must confirm about the accuracy and relevancy of any information contained herein with the Bank. However, the Bank reserves its right for providing the information at its absolute discretion. The Bank accepts no responsibility for statements made in any advertisement or any other material and anyone placing reliance on any other source of information would be doing so at his own risk and responsibility.

Prospective subscribers must make their own independent evaluation and judgment before making the investment and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in Bonds. It is the responsibility of the prospective subscriber to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Bonds. It is the responsibility of the prospective subscriber to verify if they have necessary power and competence to apply for the Bonds under the relevant laws and regulations in force. Prospective subscribers should conduct their own investigation, due diligence and analysis before applying for the Bonds. Nothing in this Disclosure Document should be construed as advice or recommendation by the Issuer to subscribers to the Bonds. Prospective subscribers should also consult their own advisors on the implications of application, allotment, sale, holding, ownership and redemption of these



Bonds and matters incidental thereto.

This Disclosure Document is not intended for distribution. It is meant for the consideration of the person to whom it is addressed and should not be reproduced by the recipient and the contents of this Disclosure Document shall be kept utmost confidential. The securities mentioned herein are being issued on private placement Basis and this offer does not constitute a public offer/ invitation.

The Issuer reserves the right to withdraw the private placement of the Bond issue prior to the Issue closing date(s) in the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law. In such an event, the Issuer will refund the application money, if any, along with interest payable on such application money, if any.

2. DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA:

This Disclosure Document has not been filed with Securities & Exchange Board of India ("SEBI"). The Bonds have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Disclosure Document. It is to be distinctly understood that this Disclosure Document should not, in any way, be deemed or construed that the same has been cleared or vetted by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or the project for which the Issue is proposed to be made, or for the correctness of the statements made or opinions expressed in this Disclosure Document. The Issue of Bonds being made on private placement basis, filing of this Disclosure Document is not required with SEBI. However, SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Disclosure Document.

3. DISCLAIMER OF THE STOCK EXCHANGE:

As required, a copy of this Disclosure Document may be submitted to BSE for hosting the same on their website. It is to be distinctly understood that such submission of the Disclosure Document with BSE or hosting the same on their website should not in any way be deemed or construed that the Disclosure Document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Disclosure Document; nor does it warrant that this Issuer's securities will be listed or continue to be listed on the BSE; nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

4. DISCLAIMER IN RESPECT OF JURISDICTION:

The private placement of Bonds is made in India to Qualified Institutional Buyers as defined in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. The Disclosure Document does not, however, constitute an offer to sell or an invitation to subscribe to the Bonds offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Disclosure Document comes is required to inform him about and to observe any such restrictions. Any disputes arising out of this issue will be subject to the exclusive jurisdiction of the courts at Mumbai. All information considered adequate and relevant about the Issuer has been made available in this Disclosure Document for the use and perusal of the potential investors and no selective or additional information would be available for a section of investors in any manner whatsoever.

5. DISCLAIMER BY THE RESERVE BANK OF INDIA

The Bonds have not been recommended or approved by the Reserve Bank of India nor does RBI guarantee the accuracy or adequacy of this document. It is to be distinctly understood that this document should not, in any way, be deemed or construed that the securities have been recommended for investment by the RBI. RBI does not take any responsibility either for the financial soundness of the Issuer, or the Bonds being issued by the Issuer or for the correctness of the statements made or opinions expressed in this Disclosure Document. Potential investors may make investment decision in the securities offered in terms of this Disclosure Document solely on the basis



of their own analysis and RBI does not accept any responsibility about servicing/ repayment of such investment.

6. DISCLAIMER OF THE DEBENTURE TRUSTEE

Investors should carefully read and note the contents of the Disclosure Document. Each Prospective investor should make its own independent assessment of the merit of the investment in Bonds and the Issuer Bank. Prospective investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Bonds and should possess the appropriate resources to analyze such investment and suitability of such investment to such investor's particular circumstance. Prospective investors are required to make their own independent evaluation and judgement before making any investment and are believed to be experienced in Investing in debt markets and are able to bear the economic risk of investing in such instruments.

7. DISCLAIMER IN RESPECT OF THE RATING AGENCY

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. Rating Agencies has based its ratings on information obtained from the sources believed by it to be accurate and reliable. Rating Agencies does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information.

III. RISK FACTORS

Investors should carefully consider the risks described below, together with the risks described in the other sections of this Disclosure Document before making any investment decision relating to the Bonds. The occurrence of any of the following events could have a material adverse effect on the Bank's business including the quality of its assets, its liquidity, its financial performance, its ability to implement its strategy and its ability to repay the interest or principal on the Bond in a timely fashion or at all.

Before making an investment decision, prospective investors should carefully consider all of the information contained in this Disclosure Document, including the financial statements included in this Disclosure Document.

RISK FACTORS PERTAINING TO THE BANKING SECTOR

The possibility of a second wave of Covid-19 in India could impact Economic Growth and thus have an impact on growth and non-performing loans outlook of the Banking sector. Covid-19 are increasing in certain parts of the world. This may impact India's export growth to these geographies. Global geo-political risks may also impact economic growth in the form of disruption of global supply chains. Any change in global liquidity by large central banks may impact inflows into emerging markets such as India. This will have an impact on economic growth through interest rate and exchange rate channels.

RISKS FACTORS PERTAINING TO THE BANK'S BUSINESS

The Bank's business is particularly vulnerable to interest rate risk, and volatility in interest rates could adversely affect its net interest margin, the value of its fixed income portfolio, its income from treasury operations and its financial performance.

The Bank could be adversely impacted by a rise in generally prevailing interest rates on deposits, especially if the rise were to be sudden or sharp. If such a rise in interest rates were to occur, the Bank's net interest margin could be adversely affected because the interest paid by the Bank on its deposits could increase at a higher rate than the interest received by the Bank on its advances and other investments. The requirement that the Bank maintain a portion of its assets in fixed income government securities could also have a negative impact on its treasury income because the Bank typically earns interest on this portion of its assets at rates that are generally less favorable than those typically received on its other interest-earning assets. In addition, other members of the Group carrying on banking and / or lending operations are subject to similar risks.

The Bank is also exposed to interest rate risk through its treasury operations, banking subsidiaries and its Subsidiary, PNB Gilts Limited, which is a primary dealer in government securities. A rise in interest rates or greater interest rate volatility could adversely affect the Bank's income from treasury operations or the value of its fixed income securities trading portfolio. Sharp and sustained increases in the rates of interest charged on floating rate home loans, which are a material proportion of its loan portfolio, would result in extension of loan maturities and higher monthly instalments due from borrowers, which could result in higher rates of default in this portfolio.

If the Bank fails to maintain desired levels of customer deposits or loans, its business operations may be

materially and adversely affected

Customer deposits are the Bank's primary source of funding. However, many factors affect the growth of deposits, some of which are beyond the Bank's control, such as economic and political conditions, availability of investment alternatives and retail customers' changing perceptions toward savings. For example, retail customers may reduce their deposits and increase their investment in securities for a higher return, while SMEs and mid-corporate customers may reduce their deposits in order to fund projects in a favorable economic environment. In the event of a decrease in deposits, the Bank may be required to pay higher interest rates to attract deposits, which could adversely affect the Bank's performance. If the Bank fails to maintain its desired level of deposits, the Bank's liquidity position, financial condition and results of operations may be materially and adversely affected. In such an event, the Bank may need to seek more expensive sources of funding, and it is uncertain whether the Bank will be able to obtain additional funding on commercially reasonable terms as and when required. The Bank's ability to raise additional funds may be impaired by factors over which it has little or no control, such as deteriorating market conditions or severe disruptions in the financial markets.

Conversely, the Bank may not be able to reduce its deposits if it experiences surplus liquidity. The Bank must find ways to lend surplus funds to existing or new borrowers in order to earn interest income and protect its net interest margin. If the Bank cannot secure sufficient loan volumes or earn sufficient interest on its lending, due to economic conditions or other factors, its ability to earn income and maintain and increase its net interest margin may be materially adversely affected.

An increase in the Bank's portfolio of NPAs and provisioning requirements mandated by the RBI may adversely affect its business.

The Bank's NPAs have generally been on the rise historically. The Bank's NPAs may continue to increase in the future and any significant increase in NPAs may have a material adverse effect on the Bank's financial condition and results of operations. The Bank's NPAs can be attributed to several factors, including increased competition, slow industrial and business growth in recent years, high levels of debt involved in financing of projects, and significant borrowings by companies in India at relatively high interest rates.

Although the Bank's loan portfolio includes loans to a wide range of businesses and industries, financial difficulties experienced by the Bank's customers or by particular sectors of the Indian economy, such as the infrastructure sector, the real estate sector and the agriculture sector, to which the Bank has significant exposure, could significantly increase the Bank's level of NPAs and materially and adversely affect its business, future financial performance. Economic downturns experienced in priority sectors would likely have a material and direct adverse effect on the Bank's NPA levels.

There can be no assurance that the percentage of NPAs that the Bank will be able to recover will be similar to the Bank's past experience of recoveries of NPAs. The Bank's retail loan portfolio has grown over the years, but there is limited data on historical loss ratios in retail loans, especially in the event of an economic slowdown. Furthermore, the global economic slowdown, inconsistent industrial growth and the impact of global and Indian economic conditions on equity and debt markets may also lead to an increase in the level of NPAs in the Bank's corporate loan portfolio.

While the Bank has already made provisions for NPAs, there can also be no assurance that the RBI will not further increase provisioning requirements in the future. Any future increases in provisions mandated by the RBI or other regulatory changes could lead to an adverse impact on the Bank's business and future financial performance.

The level of restructured loans in the Bank's portfolio may increase and the failure of its restructured loans to perform as expected could affect the Bank's business

The Bank's standard assets include restructured standard loans. As a result of slowing economic activity and the limited ability of corporations to access capital due to volatility in global markets, there has been an increase in restructured loans in the banking system in the recent past, including within the Bank's portfolio. The lending operations of the Bank's international branches and subsidiaries includes foreign currency loans which exposes the Bank to specific risks including the failure of the loan portfolio to perform as expected and the Bank's inexperience in various aspects of the economic and legal framework in international jurisdictions. Furthermore, the quality of the Bank's long-term project finance loan portfolio may be adversely impacted by several factors. Economic and project implementation challenges, in India and internationally, could result in additions to restructured loans and the Bank may not be able to control or reduce the level of restructured loans in its project and corporate finance portfolio.

The Bank restructures assets based on a borrower's potential to restore its financial health. However, certain assets classified as restructured may subsequently be classified as delinquent or non-performing in the event a borrower fails to restore its financial viability and honor its loan servicing commitments to the Bank. There can be no assurance that the debt restructuring criteria approved by the Bank will be adequate or successful and that

borrowers will ultimately be able to meet their obligations under restructured loans.

The combination of changes in regulations regarding restructured loans, provisioning, and any substantial increase in the level of restructured assets and the failure of these structured loans to perform as expected could materially adversely affect the Bank's business and future financial performance.

The Bank may experience delays in enforcing its collateral when borrowers default on their obligations to the Bank, which may result in failure to recover the expected value of collateral security, exposing it to a potential loss

A substantial portion of the Bank's loans to corporate customers are secured by real assets, including property, plant and equipment. The Bank's loans to corporate customers also include working capital credit facilities that are typically secured by a first charge on inventory, receivables and other current assets. In some cases, the Bank may have taken further security of a first or second charge on fixed assets and a pledge of financial assets including marketable securities, corporate guarantees and personal guarantees. A substantial portion of the Bank's loans to retail customers is also secured by the financed assets, predominantly property and vehicles. Although the Bank's loans are typically adequately collateralized, an economic downturn could result in a fall in the values of relevant collateral for the Bank.

In India, foreclosure on immovable property generally requires a written petition to an Indian court or tribunal. An application, when made, may be subject to delays and administrative requirements that may result, or be accompanied by, a decrease in the value of the immovable property. Security created on shares of a borrower can be enforced without court proceedings. However, there can be delays in realization in the event that the borrower challenges the enforcement in an Indian court. The Bank may not be able to realize the full value on its collateral as a result of, among other factors, delays in bankruptcy and foreclosure proceedings, any defects in the registration of collateral and any fraudulent transfers by borrowers. A failure to recover the expected value of collateral security could expose the Bank to a potential loss. Any unexpected losses could adversely affect the Bank's business and its future financial performance.

Significant fraud, system failure or calamities would disrupt the Bank's revenue generating activities in the short-term and could harm its reputation and adversely impact its revenue-generating capabilities.

The Bank's business is highly dependent on its ability to efficiently and reliably process a high volume of transactions across numerous locations and delivery channels. It places heavy reliance on its technology infrastructure for processing this data and therefore ensuring system security and availability is of paramount importance. The Bank's systemic and operational controls may not be adequate to prevent adverse impact from frauds, errors, hacking and system failures. A significant system breakdown or system failure caused due to intentional or unintentional acts would have an adverse impact on the Bank's revenue-generating activities and lead to financial loss.

The Bank's reputation could be adversely affected by fraud committed by employees, customers or outsiders, or by its perceived inability to properly manage fraud-related risks. The Bank's inability or perceived inability to manage these risks could lead to enhanced regulatory oversight and scrutiny.

The Bank has established a geographically remote disaster recovery site to support critical applications, and it believes that it will be able to restore data and resume processing. However, it is possible the disaster recovery site may also fail or it may take considerable time to make the system fully operational and achieve complete business resumption using the alternate site. Therefore, in such a scenario, where the primary site is completely unavailable, there may be significant disruption to the Bank's operations, which could materially adversely affect its reputation and financial condition.

The Bank has a large portfolio of government securities that may limit its ability to deploy funds in higher yield investments.

As a result of reserve requirements under applicable laws in India, the Bank is more structurally exposed to interest rate risk than banks in many other jurisdictions. Under applicable RBI regulations, the Bank's liabilities are subject to the SLR requirement, which requires that a minimum specified percentage of a bank's net demand and term liabilities be invested in approved securities. The SLR requirements are subject to increase by the RBI in order to curb inflation or absorb excess liquidity. The Bank earns interest on such government securities at rates which are less favorable than those which it typically receives in respect of its retail and corporate loan portfolio, and this adversely impacts the Bank's net interest income and net interest margin. In addition, the market and accounting value of such securities could be adversely affected by overall rising interest rates.

Although many of these government securities are short-term in nature, the market value of the Bank's holdings could decrease if interest rates increase. In such cases, the Bank may have to choose between liquidating its investments and incurring losses, or holding the securities and potentially being required to recognize an



accounting loss upon marking to market the value of such investments, and either outcome may adversely impact its financial condition

The Bank is exposed to various industry sectors. Deterioration in the performance of any of these industry sectors where the Bank has significant exposure may adversely impact the Bank's business

The Bank is exposed to risk of significant deterioration in the performance of a particular sector which may be driven by events not within the Bank's control. For instance, regulatory action or policy announcements by the Govt or state government authorities, may adversely impact the ability of borrowers in that industry to service their debt obligations to the Bank. While the Bank's portfolio contains loans to a wide variety of businesses, there can be no assurance that financial difficulties in any of these industrial sectors will not increase the level of NPAs and restructured assets, and will therefore adversely affect the Bank's business and its future financial performance.

The Bank is required to maintain its capital adequacy ratio at the minimum level required by the RBI for Indian banks. There can be no assurance that the Bank will be able to maintain this ratio in the future

The RBI required Indian banks to maintain a minimum Tier I capital adequacy ratio and a minimum risk weighted total capital adequacy ratio under the Basel III framework. The Bank is also required to maintain an additional buffer in the form of CET 1. The Bank is exposed to the risk of the RBI increasing the applicable risk weight for different asset classes from time to time. There can be no assurance that the Bank will be able to maintain this ratio in the future.

In addition, there can be no assurance that the Govt will provide additional capital infusions or that the Bank will be able to raise adequate additional capital from other sources in the future on terms favorable to it or at all. Moreover, if the Basel Committee on Banking Supervision (the "Basel Committee") releases additional or more stringent guidance on capital adequacy norms which are given the effect of law in India in the future, the Bank may be forced to raise or maintain additional capital in a manner which could materially adversely affect its business, financial condition and results of operations.

The Bank is subject to credit, market and liquidity risk which may have an adverse effect on its credit ratings and its cost of funds

To the extent any of the instruments and strategies the Bank uses to hedge or otherwise manage its exposure to market or credit risk are not effective, the Bank may not be able to mitigate effectively its risk exposures, in particular to market environments or against particular types of risk. The Bank's balance sheet growth will be dependent upon economic conditions, as well as upon its determination to sell, purchase, securitize or syndicate particular loans or loan portfolios. The Bank's trading revenues and interest rate risk exposure are dependent on its ability to properly identify, and mark to market, changes in the value of financial instruments caused by changes in market prices or rates. The Bank's earnings are dependent upon the effectiveness of its management of migrations in credit quality and risk concentrations, the accuracy of its valuation models and its critical accounting estimates and the adequacy of its allowances for loan losses. To the extent its assessments, assumptions or estimates prove inaccurate or not predictive of actual results, the Bank could suffer higher than anticipated losses. The successful management of credit, market and operational risk is an important consideration in managing its liquidity risk because it affects the evaluation of its credit ratings by rating agencies. Rating agencies may reduce or indicate their intention to reduce the ratings at any time. The rating agencies can also decide to withdraw their ratings altogether, which may have the same effect as a reduction in its ratings. Any reduction in the Bank's ratings (or withdrawal of ratings) may increase its borrowing costs, limit its access to capital markets and adversely affect its ability to sell or market its products, engage in business transactions, particularly longer-term and derivatives transactions, or retain its customers. This, in turn, could reduce its liquidity and negatively impact its operating results and financial condition.

If the Bank is unable to adapt to rapid technological changes, its business could suffer. Implementation of new information technology systems may result in technical difficulties

The Bank's future success will depend in large part on its ability to respond to technological advances and to emerging banking industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entail significant technical and business risks. There can be no assurance that the Bank will successfully implement new technologies effectively or adapt its transaction processing systems to meet customer requirements or emerging industry standards. Such technology updates may result in significant costs of the Bank. If the Bank is unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, its business and the future financial performance of the Bank could be materially affected.

As the Bank implements additional IT platforms which become integral to the Bank's product offering, unforeseen technical difficulties may cause disruption in the Bank's operations. The Bank has significantly upgraded its technology infrastructure in the recent past. However, any unforeseen technological disruptions could significantly affect the Bank's operations and quality of its customer service and could result in business and financial losses.



As the Bank's risk management systems evolve and as its operations become more reliant upon technology to manage and monitor its risk, any failure or disruption could materially and adversely affect its operations and financial position.

Any inadequacy in complying with the regulatory requirements and standards specified by regulatory authorities in the various jurisdictions in which the Bank operates may attract penalties or other punitive action against the Bank

The international branches of the Bank are required to ensure compliance with applicable regulatory requirements and standards applicable to such operations in the relevant jurisdiction. These requirements include monitoring systems and controls, risk management infrastructure and processes and other related regulatory requirements. The failure to introduce any such measures, infrastructure or processes in a timely manner may lead to regulatory action including potential penalties and other punitive measures. Any adverse action initiated by such international regulatory authorities may adversely affect the Bank's business, financial performance and reputation.

The Bank is exposed to fluctuations in foreign exchange rates which could adversely affect the Bank's business and future financial performance.

As a financial institution with operations in various countries, the Bank is exposed to significant exchange rate risks. The Bank complies with regulatory limits upon its unhedged foreign currency exposure by making foreign currency loans on terms that are generally similar to its foreign currency borrowings and thereby transferring the foreign exchange risk to the borrower or through active use of cross-currency swaps and forwards to generally match the currencies of its assets and liabilities. However, the Bank is exposed to fluctuations in foreign currency rates for its unhedged exposure. Any adverse movement in foreign currency exchange rates may also impact the Bank's borrowers adversely, which may in turn impact the quality of its exposure to these borrowers. Volatility in foreign exchange rates could adversely affect the Bank's business and future financial performance.

There are operational risks associated with the banking and financial services industry which may have an adverse impact on the Bank's business.

The Bank, like all financial institutions, is exposed to many types of operational risks, including the risk of fraud or other misconduct by employees or outsiders, unauthorized transactions by employees and third parties (including violation of regulations for prevention of corrupt practices, and other regulations governing its business activities), or operational errors, including clerical or record keeping errors or errors resulting from faulty computer or telecommunications systems. The Bank outsources some functions to other agencies, such as certain data entry, cash management and ATM management. Given its high volume of transactions, certain errors may be repeated or compounded before they are discovered and successfully rectified. In addition, its dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. The Bank may also be subject to disruptions of its operating systems arising from events that are wholly or partially beyond its control (including, for example, computer viruses or electrical or telecommunication outages, cyber-attacks, and natural calamities), which may give rise to a deterioration in customer service and to loss or liability to the Bank. The Bank is further exposed to the risk that external vendors may be unable to fulfill their contractual obligations to the Bank (or will be subject to the same risk of fraud or operational errors by their respective employees as the Bank is), and to the risk that its (or its vendors') business continuity and data security systems prove not to be sufficiently adequate. The Bank also faces the risk that the design of its controls and procedures may prove inadequate, or are circumvented, thereby causing delays in detection or errors in information. Although the Bank maintains a system of controls designed to keep operational risk at appropriate levels, like all banks, the Bank has suffered losses from operational risk and there can be no assurance that the Bank will not suffer losses from operational risks in the future that may be material in amount, and its reputation could be adversely affected by the occurrence of any such events involving its employees, customers or third parties.

The Bank's hedging strategies and other risk management techniques may not be fully effective in mitigating its risk exposure in all market environments or against all types of risks, including risks that are unidentified or unanticipated. Some methods of managing risk are based upon observed historical market behavior. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, clients or other matters. This information may not in all cases be accurate, complete, up to date or properly evaluated. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a large number of transactions and events. Although the Bank has established these policies and procedures, these policies may not be fully effective, which could adversely affect the Bank's business or result in losses.

In addition, although we maintain insurance coverage for certain risks, there can be no assurance that if the Bank suffers material losses, our insurance arrangements will be sufficient to cover those losses. If the Bank's losses are more than the Group's insurance coverage or cannot be recovered through insurance, our business and results of operations could be materially adversely affected.



The Bank may not be able to renew or maintain its statutory and regulatory permits and approvals required to operate its business

The Bank is required to obtain various statutory and regulatory permits and approvals to operate its business which requires the Bank to comply with certain terms and conditions to continue its banking operations. In the event that it is unable to renew or maintain such statutory permits and approvals or comply with any or all of these terms and conditions, or seek waivers or extensions of time for complying with these terms and conditions, may result in the interruption of all or some of the Bank's operations, imposition of penalties and could materially and adversely affect its business, financial results and reputation.

The Bank is involved in various litigation matters. Any final judgment awarding material damages against the Bank could have a material adverse impact on its future financial performance

The Bank is involved in certain litigation matters in the ordinary course of its business. These matters generally arise because the Bank seeks to recover from borrowers or because customers seek counter claims against it. Although it is the Bank's policy to make provisions for probable loss, the Bank does not make provisions or disclosures in its financial statements where its assessment is that the risk is insignificant. The Bank cannot guarantee that the judgments in any of the litigation in which the Bank is involved would be favorable to it and if its assessment of the risk changes, its view on provisions will also change. Increased provisioning for such potential losses could have a material adverse effect on the Bank's results of operations and financial condition. If the Bank's provisioning is inadequate relative to actual losses on final judgment, such additional losses could have an adverse impact on the Bank's business.

RISK FACTORS PERTAINING TO THE ISSUE

The Bonds are essentially non-equity regulatory instruments, forming part of a Bank's capital, governed by Reserve Bank of India (RBI) guidelines and issued under the issuance and listing framework given under Chapter VI of the SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 ("NCRPS Regulations").

These instruments have certain unique features which, inter-alia, grant the issuer (i.e. banks, in consultation with RBI) a discretion in terms of writing down the principal / interest, to skip interest payments, to make an early recall etc. without commensurate right for investors to legal recourse, even if such actions of the issuer might result in potential loss to investors.

Payment of coupon on the Bonds is subject to the terms of Information Memorandum, including Coupon Discretion, Dividend Stopper Clause, Loss Absorption of the term sheet as contained in the Information Memorandum. The Bonds are subject to loss absorption features as more particularly described in the Term Sheet and required of Additional Tier 1 instruments at point of non-viability as provided for in Annex 16 of the RBI Circular.

All Bonds being offered under this Disclosure Document are unsecured and the RBI prescribes certain restrictions in relation to the terms of these Bonds

All Bonds being issued under this Disclosure Document are unsecured in nature. Claims of the investors in this instrument shall rank: a) superior to the claims of investors in equity shares and perpetual non-cumulative preference shares, if any, of the Issuer; b) subordinated to the claims of all depositors and general creditors and subordinated debt of the Issuer other than subordinated debt qualifying as Additional Tier 1 Capital (as the term is defined in the RBI Basel III Guidelines) of the Issuer; c) pari passu without preference amongst themselves and other subordinated debt classifying as Additional Tier 1 Capital in terms of RBI Basel III Guidelines; d) neither secured nor covered by a guarantee of the Issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis Bank creditors. For further details, please refer to Summary Term Sheet in this Disclosure Document.

The Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent) are issued subject to Loss Absorbency features applicable for non-equity capital instruments issued in terms of RBI Basel III Guidelines including in compliance with the requirements of Annex 4 thereof and are subject to certain Loss Absorbency features as described herein and required of Additional Tier 1 Capital instruments at the pre-specified trigger level and Point of Non-Viability as provided for in Annex 16 of the aforesaid RBI Basel III Guidelines, as amended or replaced from time to time.

There may be no active market for the Bonds on the platform of the Stock Exchange. As a result, the liquidity and market prices of the Bonds may fail to develop and may accordingly be adversely affected.

Any issue of Bonds carried out hereunder will be a new issue of bonds and the Bonds have no established trading





market. There is no assurance that a trading market for the Bonds will exist and no assurance as to the liquidity of any trading market. Although an application will be made to list the Bonds on the BSE, there can be no assurance that an active market for the Bonds will develop, and if such a market were to develop, there is no obligation on us to maintain such a market. The liquidity and market prices of the Bonds can be expected to vary with changes in market and economic conditions, our financial condition and prospects and other factors that generally influence market price of such instruments. Such fluctuations may significantly affect the liquidity and market price of the Bonds, which may trade at a discount to the price at which you purchase the Bonds.

We are not required to and will not create or maintain a Debenture Redemption Reserve (DRR) for the Bonds issued under this Disclosure Document.

As per the Companies (Share Capital and Debentures) Rules, 2014, as amended, no Debenture Redemption Reserve is required to be created by Banking Companies issuing debentures.

There is no assurance that the Bonds to be issued under this Disclosure Document will not be downgraded

The Rating agency i.e. India Ratings & Research Private Limited and Brickwork Ratings India Private Ltd have rated the Bonds to be issued under this Disclosure Document. In the event of deterioration of the financial health of the Issuer or due to other reasons, the rating of the Bonds to be issued under this Disclosure Document may be downgraded. In such a scenario, Bond holders may incur losses on their investment.

There is no assurance that the Bonds issued pursuant to this Issue will be listed on the Stock Exchanges in a timely manner, or at all.

In accordance with Indian law and practice, permissions for listing and trading of the Bonds issued pursuant to this Issue will not be granted until after the Bonds have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the stock exchange. There could be a failure or delay in listing the Bonds on the Stock Exchanges for reasons unforeseen.

IV. ISSUER INFORMATION

Name of the Issuer	:	Punjab National Bank
Head Office	:	Plot No. 4, Sector – 10, Dwarka, New Delhi - 110 075
Telephone No.	:	(011) – 2807 5000
Fax No.	:	(011) – 2804 5000
Website	:	www.pnbindia.in
Compliance Officer for the Issue	:	Ms. Ekta Pasricha Company Secretary & Compliance Officer Punjab National Bank Plot No. 4, Sector – 10, Dwarka, New Delhi - 110 075 Tel: (011) 2807 3025; E-mail: hosd@pnb.co.in
Chief Financial Officer of the Issuer	:	Mr. D K Jain Chief Financial Officer Punjab National Bank Plot No. 4, Sector – 10, Dwarka, New Delhi - 110 075 Tel: (011) 2804 4155; E-mail: jaindak@pnb.co.in
Internal Legal Advisor for the Issue	:	Mr. Ashok Kumar Mishra Deputy General Manager Punjab National Bank Plot No. 4, Sector – 10, Dwarka, New Delhi - 110 075





E-mail: law@pnb.co.in

Trustee for the Bondholders :

SBICAP Trustee Company Limited
Apeejay House, 6th floor
3, Dinshaw Wachha Road, Churchgate,
Mumbai 400 020
Tel: (022) 4302 5555

Registrar to the Issue :

Alankit Assignments Limited
205/208, Anarkali Complex,
Jhandewalan Extension
New Delhi-110055
Tel No: 011-42541234
Fax No: 011-23552001
Email Id: info@alankit.com

Credit Rating Agencies :

India Ratings & Research Private Limited
Wockhardt Tower, Level 4, West Wing
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051
Tel: (022) 4000 1700

Brickwork Ratings India Private Limited
Ground Floor, Building No – S14, Solitaire Corporate
Park, Guru Hargovindgi Marg, Chakala, Andheri
(East), Mumbai 400 093
Tel: (022) 2831 1426/ 39

Legal Advisor to the Issue :

Negandhi, Shah & Himayatullah
Advocates and Solicitors
107-113, Kshamalaya, 1st floor,
37, Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai – 400020
Contact Person : Ms. Pinky Shah
Tel: 022-66270800
Email: pinky.shah@nshindia.com

Arranger(s) to the Issue :

ICICI BANK
ICICI SECURITIES PRIMARY DEALERSHIP LTD
INDUSIND BANK
HDFC BANK
SBI CAPITAL MARKETS LTD



V. DETAILS OF DIRECTORS OF THE ISSUER

1. NAMES AND ADDRESSES OF THE CURRENT DIRECTORS OF THE ISSUER

The composition of the Board of Directors of the Bank as on the date of this Disclosure Document is as under:

SN	Name, Designation and DIN	Age (Yrs)	Address	Director of the Bank Since	Details of other Directorships/ Memberships
1	Shri CH. S.S. Mallikarjuna Rao MD & CEO DIN-07667641	58 years	Plot No. 04, Sector 10, Dwarka, New Delhi-110075	01.10.2019	1. PNB Investment Services Ltd. 2. PNB Housing Finance Limited 3. PNB Metlife India Insurance Company Limited 4. PNB International Ltd. (UK) 5. The Oriental Insurance Company Limited 6. Institute of Banking Personnel Selection
2	Shri Agyey Kumar Azad Executive Director	59 years	Plot No. 04, Sector 10, Dwarka, New Delhi-110075	22.01.2019	NIL
3	Shri Vijay Dube Executive Director	57 years	Plot No. 04, Sector 10, Dwarka, New Delhi-110075	01.04.2020	NIL
4	Shri Sanjay Kumar Executive Director	57 years	Plot No. 04, Sector 10, Dwarka, New Delhi-110075	01.04.2020	NIL
5	Shri Pankaj Jain Government Nominee Director DIN-00675922	54 years	Plot No. 04, Sector 10, Dwarka, New Delhi-110075	08.08.2019	1. National Credit Guarantee Trustee Company Ltd 2. Small Industries Development Bank of India 3. EXIM Bank
6	Shri Vivek Aggarwal Non-Executive (RBI Official Director)	57 years	Plot No. 04, Sector 10, Dwarka, New Delhi-110075	24.07.2019	NIL
7	Dr. Asha Bhandarker Shareholder Director	61 years	Plot No. 04, Sector 10, Dwarka, New Delhi-110075	12.09.2018	NIL

2. CHANGE IN DIRECTORS OF THE ISSUER SINCE LAST THREE YEARS

Changes in the Board of Directors of the Issuer during the last three years are as under:

SN	Name (Sh/Smt)	Category	From	To	Remarks
1	Shri Anil Kumar Khachi	Government Nominee Director	22.07.2016	04.07.2017	Govt. of India notified the change
2	Dr. Ram S. Sangapure	Executive Director	13.03.2014	28.02.2018	Completion of Tenure
3	Ms. Hiroo Mirchandani	Share Holder Director	02.05.2015	01.05.2018	Completion of

					Tenure
4	Shri Sudhir Nayar	Share Holder Director	19.12.2015	18.12.2018	Completion of Tenure
5	Shri K.V.Brahmaji Rao	Executive Director	22.01.2014	18.01.2019	Ceased to be Director
6	Shri Sanjiv Sharan	Executive Director	15.09.2016	18.01.2019	Ceased to be Director
7	Shri Mahesh Baboo Gupta	CA Director	26.07.2016	25.07.2019	Completion of Tenure
8	Dr. Rabi N. Mishra	RBI Nominee Director	26.04.2016	23.07.2019	Govt. of India notified the change
9	Shri Sunil Mehta	Non-Executive Chairman	16.03.2017	-	Appointment
10	Shri Sunil Mehta	MD & CEO	05.05.2017	30.09.2019	Completion of Tenure
11	Shri Sanjay Verma	Share Holder Director	15.06.2017	-	Appointment
12	Shri Ravi Mital	Government Nominee Director	04.07.2017	08.08.2019	Govt. of India notified the change
13	Shri Lingam Venkata Prabhakar	Executive Director	01.03.2018	-	Appointment
14	Dr. Asha Bhandarkar	Share Holder Director	12.09.2018	-	Elected as Shareholder Director
15	Shri Agey Kumar Azad	Executive Director	22.01.2019	-	Appointment by Govt. of India
16	Dr. Rajesh Kumar Yaduvanshi	Executive Director	15.04.2019	-	Appointment by Govt. of India (from e-Dena Bank to PNB)
17	Shri Vivek Aggarwal	RBI Nominee Director	24.07.2019	-	Appointment by Govt. of India
18	Shri Pankaj Jain	Government Nominee Director	08.08.2019	-	Appointment by Govt. of India
19	Shri Sunil Mehta	Non-Executive Chairman	16.03.2017	15.02.2020	Completion of Tenure
20	Shri Lingam Venkata Prabhakar	Executive Director	01.03.2018	31.01.2020	Govt. of India notified the change (Appointed as MD & CEO in Canara Bank)
21	Shri CH. S.S. Mallikarjuna Rao	Managing Director & CEO	01.10.2019	-	Appointment by Govt. of India
22	Shri Sanjay Kumar	Executive Director	1.04.2020	-	Appointment by Govt. of India (from e-UBI to PNB)
23	Shri Vijay Dube	Executive Director	1.04.2020	-	Appointment by Govt. of India (from e-OBC to PNB)
24	Shri Sanjay Verma	Shareholder Director	15.06.2017	14.06.2020	Completion of Tenure
25	Dr. Rajesh Kumar Yaduvanshi	Executive Director	15.04.2019	08.10.2020	Completion of Tenure

VI. DETAILS OF STATUTORY AUDITORS OF THE ISSUER

1. CURRENT STATUTORY AUDITORS OF THE ISSUER

Name of Statutory Auditors	Firm Registration No.	Address & Contact Details	Auditor since
M/s MKPS & Associates	302014E	403, 4th Floor, Grace Chambers, Andheri Kurla Road, Chakala, Beside Gurudwara, Andheri (East) Mumbai – 400093 mumbai@mkps.in	Dec-17
M/s G.S.Mathur & Co.	008744N	A-160, Defence Colony, New Delhi 110024 gsmco.gsmco@gmail.com	Dec-17
M/s HDSG & Associates	002871N	K-61, Basement, Jungpura Ext. New Delhi-110014 hsg@hdsgindia.com , dg@hdsgindia.com	Dec-17
M/s M.K. Aggarwal & Co	001411N	30, Nishant Kunj, Pitampura, New Delhi 110034 mka@mkac.in , atul@mkac.in	Dec-18
M/s A John Moris & Co.	007220S	5, lakshmipuram, 1 st Street, Deivasigamani Rd Royapettah, Chennai 600014	Dec-18

2. CHANGE IN STATUTORY AUDITORS OF THE ISSUER SINCE LAST THREE YEARS

SN	Name	Address	Date of Appointment	Date of Cessation
1.	M/s Chhajer&Doshi	101, Hubtown Solaris, Near, East West Flyover,N.S. Phadke Marg, Andheri (E), Mumbai – 400069	March-15	Sep-17
2.	M/s R. Devendra Kumar & Associates	205, Blue Rose Industrial, Estate, Near Petrol Pump, Western Express Highway, Borivali (East), Mumbai – 400066	March-15	Sep-17
3.	M/s Hem Sandeep& Co.	G-59 A, Sanjay Gandhi Puram, Faizabad Road, PO: Indira Nagar, Lucknow – 226016	March-15	Sep-17
4.	M/s Suri& Co.	New No: 4 /Old No 55A Chevaliar Sivaji Ganesan Salai (South Boag Road), Thyagarayanagar, Chennai - 600 017	Dec-15	Sep-18
5.	M/s SPMG & Company	3322A, II Floor, Karol Bagh, New Delhi-110005	Dec-15	Sep-18

VII. BRIEF SUMMARY OF BUSINESS/ ACTIVITIES OF THE BANK AND ITS LINE OF BUSINESS

1. BACKGROUND OF THE BANK

Punjab National Bank is a leading public sector commercial bank in India, offering banking products and services to corporate and commercial, retail and agricultural customers. We started our operations in 1895 and since then have grown to become one of India's largest banks in terms of assets and second largest bank in terms of number of branches. Although we began our operations in the agriculturally rich areas of Northern India, we have expanded our operations to provide products and services across India through 6989 branches. Bank has presence in 6 countries- 2 branches in Dubai and Hongkong, 2 subsidiaries (London and Bhutan), 1 Associate (at Kazakhstan) and 1 Joint Venture (at Nepal).

Our banking operations for corporate and commercial customers include a range of products and services for large corporate customers as well as for small and middle market businesses and government entities. We cater to the financing needs of the agricultural sector and have created innovative financing products for farmers. We also provide significant financing to other priority sectors including small scale industries. We offer a wide range of retail credit products including home loans, personal loans and automobile loans. Through our subsidiaries and joint ventures, we deal in Indian government securities and provide housing finance and asset management services. Through our treasury operations, we manage our balance sheet, including the maintenance of required regulatory reserves, and seek to maximize profits from our trading portfolio by taking advantage of market opportunities.

Post amalgamation with Oriental Bank of Commerce and United Bank of India, our total number of branches have increased to 10,930 and total number of ATMs have increased to 13,878. Total customer base has expanded to approximately 18 crore plus customers.

Corporate Structure



2. BRIEF FINANCIAL HIGHLIGHTS ON STANDALONE BASIS

(Rs. Crore)

Particulars	FY 2018*	FY 2019*	FY 2020*	Growth (%)	H1FY21 [#]
Interest Income	47,996	51,310	53,800	4.9	41,551
Interest Expenses	33,073	34,154	36,362	6.5	26,409
Net interest Income	14,922	17,156	17,438	1.6	15,142
Operating Income	23,803	24,534	26,712	8.9	21,322
Operating profit	10,294	12,995	14,739	13.4	10,955
Total Provisions	22,577	22,971	14,402	(37.3)	10,026
Net Profit	(12,283)	(9,975)	336	-	929
Deposits	6,42,226	6,76,030	7,03,846	4.1	10,69,747
Advances	4,33,735	4,58,249	4,71,828	3.0	7,16,924
Total Business of the Bank	11,13,523	11,82,224	11,75,674	(0.6)	17,86,671

[#]Limited reviewed financials as submitted to the Stock Exchanges

*Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

3. PERFORMANCE INDICATORS

Particulars	FY 2018*	FY 2019*	FY 2020*	H1FY21 [#]
Credit Deposit Ratio	67.54%	67.79%	67.04%	67.02%
Cost of Deposit	4.96%	5.14%	5.16%	4.70%
Yield on Advances	7.49%	7.72%	7.82%	7.86%
Yield on Investments	7.35%	7.41%	7.13%	6.53%
Net Interest Margin	2.16%	2.41%	2.30%	2.85%
Cost to Income	56.75%	47.03%	44.82%	48.62%
Gross NPA	18.38%	15.50%	14.21%	13.43%
Net NPA	11.24%	6.56%	5.78%	4.75%
Capital Adequacy	9.20%	9.73%	14.14%	12.84%

[#]Limited reviewed financials as submitted to the Stock Exchanges

*Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

4. PNB'S SUBSIDIARIES, REGIONAL RURAL BANKS AND JOINT VENTURES

DOMESTIC SUBSIDIARIES:

PNB Gilts Ltd.

As a Primary Dealer, Company's primary activities entail supporting government borrowing program via underwriting of government securities issuances and trade in a gamut of fixed income instruments such as Government securities, Treasury Bills, State Development Loans, Corporate Bonds, Interest Rate Swaps and various money market instruments such as Certificates of Deposits, Commercial Papers etc. Company has dedicated trading desk managed by experienced professionals having strong research and market insights

(Rs. Crore)

Particulars	FY 2018	FY 2019	FY 2020	H1FY21
Revenue from operations	402.28	507.79	882.24	636.80
PBT	1.32	83.02	331.02	402.92
PAT	1.41	52.86	186.35	301.19
Net Worth	843.23	885.66	1,002.19	1,260.76

PNB Investment Services Ltd.

PNBISL is presently offering a basket of financial services such as Debt/Loan Syndication, Project Appraisal, Financial Restructuring, Merchant Banking, Security Trustee services and Advisory to SME, Medium and Large Corporate customer. The company is having its head office at Delhi and a branch at Mumbai. It also has its presence in Chennai and Ahmedabad through its representative offices.

(Rs. Crore)

Particulars	FY 2018	FY 2019	FY 2020	1QFY21
Revenue from operations	6.00	5.80	4.66	1.82
PBT	3.90	2.41	0.82	0.20
PAT	2.97	1.75	0.57	0.10
Net Worth	42.22	43.96	42.84	NA

INTERNATIONAL SUBSIDIARIES

Punjab National Bank (International) Limited (PNBIL)

PNBIL a subsidiary located in United Kingdom, is focusing on diversifying the loan book through syndicated loan and financial institution business apart from providing new products and services to the community with emphasis on non-lending revenue from remittance business.

(Rs. Crore)

Particulars	FY 2018	FY 2019	FY 2020	1QFY21
Total Income	178.30	187.00	354	69
PAT	38.41	40.40	21	2
Net Worth	1098.90	1123.00	1867.73	NA

Druk PNB Bank Limited

The Druk PNB Bank is first FDI bank in Bhutan. The total Capital of the bank is Nu.450 million. Out of which 51% share is of Punjab National Bank, 19% Bhutanese promoters and 30% initial share has already been floated to the public of Bhutan. The bank continues to serve the country through its seven Branches in Thimphu, Phuentsholing, Wangdue, Gelephu, Paro, Trongsa and Samtse.

(Rs. Crore)

Particulars	FY 2018	FY 2019	FY 2020	1QFY21
Total Income	89.51	107.65	120	17
PAT	19.00	27.54	18.48	-6
Net Worth	119.01	175.77	180.79	NA

List of Associate Companies (where PNB has 20% or above stake):

Domestic:

SN	Name of the Regional Rural Banks/ Other Associates	Proportion of ownership
1	Dakshin Bihar Gramin Bank, Patna	35.00%
2	Sarva Haryana Gramin Bank, Rohtak	35.00%
3	Himachal Pradesh Gramin Bank, Mandi	35.00%
4	Punjab Gramin Bank, Kapurthala***	35.00%
5	Prathama UP Gramin Bank, Moradabad	35.00%
6	Tripura Gramin Bank	35.00%
7	Manipur Rural Bank	35.00%
8	Assam Gramin Vikash Bank	35.00%
9	Bangliya Gramin Vikash Bank	35.00%
10	PNB Metlife India Insurance Company Ltd	30.00%

11	PNB Housing Finance Ltd	32.65%
12	Canara HSBC OBC Life Insurance Co. Limited	23.00%
13	India SME Asset Reconstruction Co. Limited	20.90%

REGIONAL RURAL BANKS

At present, nine RRBs are sponsored by our Bank.

Performance of RRBs

(Rs. Crore)

SN	Performance of RRBs	FY 2018*	FY 2019*	FY 2020*	H1FY21 [#]
1	Aggregate Deposits	51,843	63,774	69,452	1,07,870
2	Aggregate Advances	31,250	41,683	44,242	57,709
3	Aggregate net profit	246	(433.06)	141	-17
4	Branches under CBS	100%	100%	100%	100%
5	Profit Per Employee (Rs lakh)	2.08	(0.03)	0.02	(0.09)
6	No. of Loss-Making Branches (being 12-month-old or more)	160	169	58	114

*Limited reviewed financials as submitted to the Stock Exchanges

[#]Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

Outside India

SN	Name of Associate	Country of Incorporation	Proportion of ownership
1	Everest Bank Ltd.	Nepal	20.03%
2	JSC (Tengri Bank), Almaty*	Kazakhstan	41.64%

*License Revoked

5. BRANCH NETWORK OF THE BANK

The population group wise break up of branches of the Bank is as under (as on September 30, 2020)

Population Group	Number of Branches	% Share to Total
Rural	3,930	36
Semi-Urban	2,753	25
Urban	2,277	21
Metropolitan	1,970	18
Total	10,930	100

VIII. KEY OPERATIONAL & FINANCIAL PARAMETERS OF THE ISSUER FOR THE LAST 3 AUDITED YEARS

Key Operational and Financial Parameters of the Bank for the last 3 Audited years

(Rs. Crore)

Particulars	FY 2018*	FY 2019*	FY 2020*	H1FY21 [#]
Capital	552	921	1,348	1,882
Reserves & Surplus (excl. revaluation reserves, exchange fluctuation reserve and amalgamation adjustment reserve)	36,493	39,227	54,998	NA

Net Worth	37,045	40,148	56,346	NA
Total Deposits	6,42,226	6,76,030	7,03,846	10,69,747
Borrowings	60,851	39,326	50,225	45,731
Investments (Net)	2,00,306	2,02,128	2,40,466	3,91,754
Advances	4,33,735	4,58,249	4,71,828	6,52,663
Fixed Assets	6,349	6,225	7,239	10,853
Total Interest Income	47,996	51,310	53,800	41,551
Total Interest Expenses	33,073	34,154	36,362	26,409
Total Income	56,877	58,688	63,074	47,731
Total Expenses	46,582	45,692	48,336	36,776
Operating profit	10,294	12,995	14,739	10,955
Provisions & Contingencies	22,577	22,971	14,402	10,026
Net Profit	(12,283)	(9,975)	336	929

* Limited reviewed financials as submitted to the Stock Exchanges

* Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

DEPOSITS

(Rs. Crore)

Particulars	FY 2018*	FY 2019*	FY 2020*	H1FY21#
Current	40,374	44,375	45,714	66,593
Growth % yoy	-11.95%	9.91%	3.02%	-3.61%
Savings	2,22,873	2,40,665	2,56,760	3,92,884
Growth % yoy	4.07%	7.98%	6.69%	9.05%
Fixed	3,78,979	3,90,990	4,01,372	6,10,270
Growth % yoy	4.78%	3.17%	2.66%	7.01%
Total Deposits	6,42,226	6,76,030	7,03,846	10,69,747
Growth % yoy	3.30%	5.26%	4.11%	1.37%

* Limited reviewed financials as submitted to the Stock Exchanges

* Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

ADVANCES

(Rs. Crore)

Particulars	FY 2018*	FY 2019*	FY 2020*	H1FY21#
Total Advances (Net)	4,33,735	4,58,249	4,71,828	7,16,924
Growth %	3.40%	5.65%	2.96%	0.59%
C-D Ratio	67.54%	67.79%	67.04%	67.02%

* Limited reviewed financials as submitted to the Stock Exchanges

* Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

NON-PERFORMING ASSETS

(Rs. Crore)

Particulars	FY 2018*	FY 2019*	FY 2020*	H1FY21#
Gross NPAs at start of year	55,370	86,620	78,473	1,05,165
Reductions	13,025	28,051	25,745	13,235
Additions	44,274	19,904	20,751	4,384

Gross NPAs at end of year	86,620	78,473	73,479	96,314
Gross NPA %	18.38%	15.50%	14.21%	13.43%
Net NPAs	48,684	30,038	27,219	30,920
Net NPAs %	11.24%	6.56%	5.78%	4.75%
Provision Coverage ratio (%)	58.42%	74.50%	75.27%	83.00%

* Limited reviewed financials as submitted to the Stock Exchanges

* Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

ASSETS CLASSIFICATION

(Rs. Crore)

Classification of assets	FY 2018*	FY 2019*	FY 2020*	H1FY21*
Standard	3,84,676	4,27,722	4,43,450	6,20,610
Sub-standard	22,289	14,052	12,532	9,067
Doubtful	51,708	51,657	50,291	67,518
Loss	12,623	12,763	10,656	19,729
Gross Adv.	4,71,296	5,06,194	5,16,929	7,16,924

CAPITAL ADEQUACY POSITION OF THE BANK

(Rs. Crore)

Classification of assets as on	FY 2018*	FY 2019*	FY 2020*	H1FY21*
Total Capital	41,680	39,366	58,334	79,732
TIER I Capital	32,267	30,309	49,108	64,107
TIER II Capital	9,413	9,057	9,226	15,625
Risk Weighted Assets (BASEL III)	4,53,070	4,04,622	4,12,628	6,20,755
Total CRAR	9.20%	9.73%	14.14%	12.84%
TIER I	7.12%	7.49%	11.90%	10.33%
TIER II	2.08%	2.24%	2.24%	2.51%

* Limited reviewed financials as submitted to the Stock Exchanges

* Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

KEY ACCOUNTING RATIOS

Particulars	FY 2018*	FY 2019*	FY 2020*	H1FY21*
Return on Assets (%)	(1.60)	(1.25)	0.04	0.14
Book Value per Share (amt in Rs.)	135.4	47.2	54.4	54.34
Cost of Deposits (%)	4.96	5.24	5.16	4.7
Yield on Advances (%)	7.49	7.72	7.82	7.86
Net Interest Margin (%)	2.16	2.41	2.30	2.85
Business Per Employee (In Lac)	1,473	1,680	1,821	1,895

* Limited reviewed financials as submitted to the Stock Exchanges

* Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

NET INVESTMENT

(Rs. Crore)

Particulars	FY 2018*	FY 2019*	FY 2020*	H1FY21*
1. Government Securities	1,52,046	1,61,237	2,03,559	3,37,596
2. Other Approved Securities	146	110	84	0
3. Shares	4,383	3,699	2,922	4,361
4. Debentures & Bonds	30,611	27,694	20,812	34,176
5. Subsidiaries & Joint Ventures	673	628	632	1,525
6. Others	4,920	2,086	5,216	7,880
Total Investment (Net) in India	1,92,779	1,95,455	2,33,226	3,85,538
Total Investment (Net) outside India	7,527	6,674	7,249	6,216
Grand Total Investments	2,00,306	2,02,128	2,40,466	3,91,754

* Limited reviewed financials as submitted to the Stock Exchanges

* Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

DEBT EQUITY RATIO OF THE ISSUER

(Rs. Crore)

Particulars	Pre- Issue (as on 30.09.2020)	Post Issue of Bonds of Rs.1000 Crore
Total Debt	45,731*	49,731
Networth	51,191	54,979
Gross Debt / Equity Ratio	0.89	0.90

* Post 30.09.2020, the Bank raised Rs.3,000 crores through issuance of unsecured subordinated redeemable Tier II Basel III compliant non-convertible taxable bonds in two tranches of Rs. 1500 crores each. The Bank has also raised Rs. 3788 crores through Qualified Institutional Placement in December 2020.

PROJECT COST AND MEANS OF FINANCING, IN CASE OF FUNDING OF NEW PROJECTS

The funds being raised by the Bank through present issue of Bonds are not meant for financing any particular project. The Bank shall utilize the proceeds of the Issue for its regular business activities and other associated business objectives such as discharging existing debt obligations which were generally undertaken for business operations.

IX. BRIEF HISTORY OF ISSUER SINCE INCEPTION, DETAILS OF ACTIVITIES INCLUDING ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION, CHANGES IN CAPITAL STRUCTURE, (AUTHORIZED, ISSUED AND SUBSCRIBED) AND BORROWINGS

HISTORY OF THE BANK AND MAJOR EVENTS

We were incorporated under the Indian Companies Act, 1882 (Act VI of 1882) in 1894 as Punjab National Bank Limited and commenced operations on April 12, 1895 from Lahore. Upon nationalization in 1969, we were renamed Punjab National Bank.

1904-13

- The Bank expanded from Punjab to Karachi and Peshawar in 1904.
- In 1908, the Bank began its first dealings abroad by asking its Bombay branch to open an account in London.

1914-1921

- In 1914, the Bank made a public issue of 5,000 shares.

- In 1919, the Bank took steps to establish an agency at London and an agency account with the London City Midland Bank Ltd.

1922-1939

- In 1926, the Bank was admitted to the clearing house of Calcutta.
- In 1928, Bhagat Ishwar Das became the first 'Chairman Emeritus' of the Bank.
- In 1929, a system of continuous audit was introduced to prevent possibility of fraud and the inspection of staff was strengthened.

1940-49

- In January 1940 the Bank made its first acquisition of Bhagwandas Bank Limited.
- On June 29, 1947 the registered office of the Bank was shifted from Lahore to New Delhi.
- In 1949, the Punjab National Bank Workmen's Union came into existence.

1950-till date

- In 1952, Bharat Bank merged with us.
- In 1956, Indo Commercial Bank merged with us.
- In 1961, Universal Bank of India merged with the Bank.
- In 1969, 14 private banks including our Bank were nationalised.
- The first overseas branch of the Bank was opened in London in 1978 and closed in 1986 under instructions from the RBI.
- In 1986, Hindustan Commercial Bank merged with the Bank.
- In 1993, New Bank of India merged with the Bank, which was the first ever merger of a nationalised bank with another.
- In 2002, we had an initial public offering of shares of the Bank which resulted in the reduction of the government's shareholding in the Bank.
- In 2003, the erstwhile Nedungadi Bank, a Kerala based private bank, was amalgamated with the bank.
- In 2005, Bank came out with an Follow on Public Offer of 8 crore shares at a price of Rs.390 per share aggregating Rs.3120 crore, resulting in further reduction of Government shareholding to 57.80%.
- During 2008-09 the bank achieved the landmark of becoming the largest Nationalised Bank to bring all branches/Extension counters in to Core Banking Solution (CBS).
- For FY'17, the Bank achieved all the targets in the parameters fixed by the Govt. of India, Ministry of Home Affairs, Department of Official Language
- During FY'17, the Bank received more than 120 awards for its excellent performance in the use of Hindi which included prestigious Rajbhasha Kirti Shield.
- National Award for SHG- Bank Linkage for the Year 2016-17 by Ministry of Rural Development, Government of India
- BFSI Digital Innovation Award 2019 in the Enterprise Mobility Category by Express Group.
- Aadhar Excellence Award- 2nd Best Public Sector Bank for Total Aadhar Generation and Update FOR 2018-19 by UIDAI, Government of India.
- In 2019 Adjudged best PSB in First ever PSB reforms IndexEASE Award 2019 by GOI.
- On August 30, 2019, Finance ministry announced the proposed amalgamation of Punjab National Bank with Oriental Bank of Commerce and United Bank of India.
- The number of branches we operated grew from 619 at the time of nationalization in 1969 to reach 7040 by September 30, 2019
- In November 2019, the bank issued 2,13,35,18,960 Equity Shares to Government of India. After the issue, the Government of India holds 83.19% of the equity capital of the Bank.
- In December 2019, the bank raised Rs.1,500 crores through issuance of unsecured subordinated redeemable Tier II Basel III compliant non-convertible taxable bonds
- On March 04, 2020, Ministry of Finance issued a notification providing the scheme of amalgamation of Oriental Bank of Commerce and United Bank of India into Punjab National Bank. The amalgamated entity came in to force of April 01, 2020
- In July 2020, the bank raised Rs. 994 crores through issuance of unsecured subordinated redeemable Tier II Basel III compliant non-convertible taxable bonds
- In October 2020, the bank raised Rs. 1,500 crores through issuance of unsecured subordinated redeemable Tier II Basel III compliant non-convertible taxable bonds

- In November 2020, the bank raised Rs. 1,500 crores through issuance of unsecured subordinated redeemable Tier II Basel III compliant non-convertible taxable bonds
- In December 2020, the bank raised Rs. 3,788 crores through Qualified Institutional Placement (QIP)

CAPITAL STRUCTURE

(Rs. crore)

Particulars	As on 31-12-2020
A. Authorised Share Capital	
15,000,000,000 Equity Shares of Rs. 2 each	3,000
B. Issued, Subscribed and Paid-Up Capital	
10,47,76,82,225 Equity Shares of Rs.2 each fully paid-up	2096
C. Share Premium Account	44,324

Note: In March 2002, the Bank had raised equity capital by way of Public Issue of 53,061,200 Equity Shares of Rs.10/- each at a price of Rs.31/- each, aggregating to Rs.164.49 Crore. In March 2005 the Bank raised additional Equity Capital by way of Public Issue of 80,000,000 Equity Shares of Rs.10/-each at a price of Rs.390/- each, aggregating to Rs. 3,120 Crore. During FY 2014, the bank allotted 8,596,530 Equity shares to the government of India. Subsequently the bank issued 44,207,317 Equity Shares, 109,040,543 Equity Shares, 164,370,768 Equity Shares to Government of India in FY 2015, FY 2016 and FY 2017 respectively. The Bank raised capital by QIP in FY 2018 by issuance of 297,619,047 Equity Shares followed by issue of 334,985,922 Equity Shares to the government of India. In FY 2019, the bank issued 312,993,219 Equity Shares, 638,190,364 Equity Shares and 802,063,535 Equity Shares to Government of India. The Bank also raised capital by issuance of ESPS scheme wherein it issued 90,226,683 Equity Shares to its employees. Subsequently, in November 2019, the bank issued 2,133,518,960 Equity Shares to Government of India on account of capital infusion aggregating to Rs. 16,091 crores. After the issue, the Government of India holds 83.19 % of the equity capital of the Bank. Pursuant to the amalgamation with Oriental Bank of Commerce and United Bank of India, our Bank issued 2,673,063,327 equity shares. Subsequently, the Bank raised capital by QIP in FY 2021 by issuance of 1,067,052,910 Equity Shares.

EQUITY SHARE CAPITAL HISTORY OF THE ISSUER

Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than cash etc.)	Nature of Allotment	Cumulative			Remarks
						No of equity shares	Equity Share capital (Rs. Crore)	Equity Share Premium (Rs. Crore)	
Capital before IPO	212241300	10/-	NA	NA	NA	212241300	212.24	0	100% capital owned by GOI
20.04.02	53061200	10/-	31	Cash	IPO	265302500	265.30	111.43	
26.03.05	80000000	10/-	390	Cash	FPO	345302500	345.30	3151.43	
30.03.05 Return to GOI	-30000000	10/-			Return to GOI	315302500	315.30	2011.43	
28.03.2011	1509657	10/-	1218.82	Cash	Preferential	316812157	316.81	2193.92	
26.03.2012	15840607	10/-	1003.69	Cash	Preferential	332652764	332.65	-	LIC
30.03.2012	6525919 (22366526)	10/-	1003.69	Cash	Preferential	339178683	339.18	4416.46	GOI Total (Allotment to LIC and GoI was made on different dates). Share premium as on 31.03.12 is given.
04.03.2013	14294713	10/-	873.05	Cash	Preferential	353473396	353.47	5650.16	
16.12.2013	8596530	10/-	581.63	Cash	Preferential	362069926	362.07	6141.57	
31.03.2015	44207317	2/-	196.80	Cash	Preferential	1854556947	370.91	6,967.36	
30.09.2015	109040543	2/-	158.84	Cash	Preferential	1963597490	392.72	8,590.32	

14.09.2016	164370768	2/-	126.49	Cash	Preferential	2127968258	425.59	10,505.08	
18.12.2017	297619047	2/-	166.00	Cash	QIP	2425587305	485.12	15,147.93	
27.03.2018	334985922	2/-	161.38	Cash	Preferential	2760573227	552.11	20,218.95	
19.09.2018	312993219	2/-	87.97	Cash	Preferential	3073566446	614.71	22,659.36	
01.11.2018	638190364	2/-	83.10	Cash	Preferential	3711756810	742.35	27,324.53	
24.12.2018	90266683	2/-	51.95	Cash	ESPS	3801983493	760.40	27,703.20	
28.03.2019	802063535	2/-	71.66	Cash	Preferential	4604047028	920.81	32,648.72	
06.11.2019	2133518960	2/-	75.42	Cash	Preferential	6737565988	1347.51	48313.01	
01.04.2020	2673063327	2/-	80.10	Non-Cash	Amalgamation	9410629315	1882.13	69189.64	Amalgamation with OBC and UBI
21.12.2020	1067052910	2/-	35.50	Cash	QIP	10477682225	2095.54	73044.63	

CHANGES IN CAPITAL STRUCTURE OF THE ISSUER FOR LAST FIVE YEARS

Particulars of change	Amount (Rs. Crore)	Date of Change
Increase in Capital - FY 2014-15	8.84 (370.91)	31.03.2015
Increase in Capital - FY 2015-16	21.81 (392.72)	30.09.2015
Increase in Capital - FY 2016-17	32.87 (425.59)	14.09.2016
Increase in Capital - FY 2017-18	126.52 (552.11)	18.12.2017 and 27.03.2018
Increase in Capital - FY 2018-19	368.70 (920.81)	19.09.2018, 01.11.2018, 24.12.2018 and 28.03.2019
Increase in Capital - FY 2019-20	426.70 (1,347.51)	04.11.2019
Increase in Capital - FY 2020-21*	748.03 (2,095.54)	1.04.2020 and 21.12.2020

* As on the date of this Disclosure Document

DETAILS OF ANY ACQUISITION OR AMALGAMATION IN THE LAST 1 YEAR:

On August 30, 2019, Finance Ministry announced the proposed amalgamation of Punjab National Bank with Oriental Bank of Commerce and United Bank of India.

On March 04, 2020, Ministry of Finance issued a notification providing the scheme of amalgamation of Oriental Bank of Commerce and United Bank of India into Punjab National Bank. The amalgamated entity came in to force of April 01, 2020.

DETAILS OF ANY REORGANIZATION OR RECONSTRUCTION IN THE LAST 1 YEAR: NIL

SHAREHOLDING PATTERN

(As on December 31, 2020)

SN	Category of Shareholder	No of shareholders	Total No of Shares	No of shares in demat form	Total Shareholding as a % of Total No. of Shares
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
(a)	Central Government/ State Government(s)	1	8054125685	8054125685	76.87
	Sub Total	1	8054125685	8054125685	76.87
2	Foreign				
	Total shareholding of Promoter and Promoter Group (A)	1	8054125685	8054125685	76.87
(B)	Public Shareholding				

B1	Institutions				
(a)	Mutual Funds/ UTI	22	62707153	62699563	0.60
(b)	Alternate Investment Funds	1	1302756	1302756	0.01
(c)	Foreign portfolio Investors	143	399657717	399641617	3.81
(d)	Financial Institutions/ Banks	26	114554610	114551620	1.09
(e)	Insurance Companies	14	867900111	867899996	8.28
(f)	Any other	1	115	115	0.00
	Sub Total B1	207	1446122462	1446095667	13.80
B2	Central Govt/State Govt.	4	3129043	3129043	0.03
	Sub Total B2	4	3129043	3129043	0.03
B3	Non-Institutions				
	Individual share capital up to Rs. 2 Lacs	1194352	744811413	735935190	7.11
	Individual share capital in excess of Rs. 2 Lacs	191	45241756	45241756	0.43
	Any Others (Specify)				
(i)	Bodies Corporate	2657	65419894	65204084	0.62
(ii)	Trusts	46	283550	268860	0.00
(iii)	Overseas Corporate Bodies	1	4715	4715	0.00
(iv)	Clearing Members	368	79493467	79493467	0.76
(v)	Non-Resident Indian (NRI)	7420	15903708	15900259	0.15
(vi)	HUF	17411	19729290	19666290	0.19
(vii)	Other QIB	1	3417242	3417242	0.03
	Sub Total B3	1222447	974305035	965131863	9.30
	Total Public Shareholding (B1+B2+B3)	1222658	2423556540	2414356573	23.13
	Total(A)+(B)	1222659	10477682225	10468482258	100.00

TOP 10 SHAREHOLDERS

The details of Top-10 shareholders as on 31.12.2020 is as under:

SN	Name of Shareholder	Number of Shares Held	Number of Shares in Demat form	% Shareholding
1	President of India	8,05,41,25,685	8,05,41,25,685	76.87%
2	Life Insurance Corporation Of India	80,99,27,358	80,99,27,358	7.73%
3	Société General	10,97,10,961	10,97,10,961	1.05%
4	Integrated Core Strategies Asia PTE Ltd	4,33,50,000	4,33,50,000	0.41%
5	Kuber India Fund	2,95,77,464	2,95,77,464	0.28%
6	Indian Bank	2,81,69,014	2,81,69,014	0.27%
7	Bank of India	2,81,69,014	2,81,69,014	0.27%
8	BNP Paribas Arbitrage	2,41,87,333	2,41,87,333	0.23%
9	SBI SG Global Securities	2,36,04,535	2,36,04,535	0.23%
10	General Insurance Corporation of India	2,14,65,213	2,14,65,213	0.20%



BORROWINGS

Particulars of Borrowings

DETAILS OF SECURED BORROWINGS FACILITIES AS ON 30.09.2020

(Rs. In crore)

Type of Facility	Amount Sanctioned (Rs. Crs)	Amount Outstanding (Rs. Crs)	Repayment Date /Schedule
Secured	Not Applicable	Rs. 8,948	Multiple Maturities

DETAILS OF UNSECURED BORROWINGS FACILITIES AS ON 30.09.2020

(Rs. In crore)

Lender's Name	Type of Facility	Amount Outstanding (Rs. Crs)	Repayment Date /Schedule
From Bank	Borrowings A/C	Rs. 1,544	Multiple Maturities
Other Institutions	Borrowings A/C	Rs.4,988	Multiple Maturities
Borrowings from outside India	From Bank	Rs.8,692	
Various Bondholders	Subordinated Bonds	Rs.13,209*	Maturity or on exercising of call by bank (based on series)
Various Bondholders	Perpetual Debt Instruments	Rs.5,550	Perpetual or on exercising of call by bank (*based on series)
Various Bondholders	Long Term Infra Bonds	Rs.2,800	Multiple Maturities

*Post 30.09.2020, the Bank raised Rs.3,000 crores through issuance of unsecured subordinated redeemable Tier II Basel III compliant non-convertible taxable bonds in two tranches of Rs. 1500 crores each.

DETAILS OF NCD (As on 31.12.2020)

The Bank has raised Tier I / Tier II capital by way of private placement of Unsecured Non-Convertible Bonds in the nature of Promissory Notes/ debentures to augment capital adequacy and long-term bonds for enhancing the long-term resources of the Bank for funding infrastructure and affordable housing projects. The details of the same is as under:

Series	Date of Allotment	Amount (Rs. crs)	Tenor (months)	Coupon (%)	Redemption Date	Secured/Unsecured	Security	Credit Rating
Lower Tier-II Bonds:								
Lower Tier II Bonds	30.11.2012	940.00	120	8.93	November 30, 2022	Unsecured	NA	ICRA AA-, CARE AA+
Basel III Bonds:								
Series VII: Lower Tier 2 Subordinated Debts	28.12.2011	190.00	120	9.20	December 28, 2021		NA	CARE AA+, CRISIL AA+
Series-VIII: Lower Tier 2 Subordinated Debts (Basel-III)	25.06.2013	500.00	120	8.75	June 25, 2023			BWR AA+, CRISIL AA+
Tier II Series XIV#	24.02.2014	1000.00	120	9.65	February 24, 2024			CRISIL AA+, ICRA AA-
Tier II Series XV^	28.03.2014	500.00	120	9.68	March 28, 2024			CRISIL AA+, IND AAA
Tier II Series XVI^	03.04.2014	500.00	120	9.68	April 03, 2024			CRISIL AA+, IND AAA
Tier II Series XVII^	09.09.2014	500.00	120	9.35	September 09, 2024			CRISIL AA+, IND AAA
Tier II Series XVIII^	30.09.2014	1000.00	120	9.25	September 30, 2024			CRISIL AA+, IND AAA

PUNJAB NATIONAL BANK BASEL III ADDITIONAL TIER I BONDS SERIES XII



Basel III Compliant Tier-II Bonds	27.10.2014	1000.00	120	9.20	October 27, 2024	Unsecured	ICRA AA-, CARE AA+
Basel III Compliant Tier-II Bonds	26.10.2015	1000.00	120	8.34	October 26, 2025		ICRA AA-, CARE AA+
Tier II Series XIX [^]	05.02.2016	1500.00	120	8.65	February 05, 2026		IND AAA, CARE AA+
Basel III Compliant Tier-II Bonds	24.06.2016	1000.00	120	9.05	Call Option: At par at the end of 5th Year from the date of allotment or thereafter on each coupon date (with prior RBI permission)		ICRA AA-, CARE AA+
Series-IX: Lower Tier 2 Subordinated Debts (Basel-III)	23.08.2017	500.00	120	9.00	Call option date 23.08.2022 (if the Bank exercises call option at the end of 5th year from the date of issue) Maturity date: 23.08.2027		BWR AA+, CRISIL AA+
Series-X: Lower Tier 2 Subordinated Debts (Basel-III)	27.09.2017	150.00	120	10.50	Call option date 27.09.2022 (if the Bank exercises call option at the end of 5th year from the date of issue) Maturity date: 27.09.2027		CRISIL AA+
Series-XI: Lower Tier 2 Subordinated Debts (Basel-III)	10.11.2017	340.00	120	9.05	Call option date 10.11.2022 (if the Bank exercises call option at the end of 5th year from the date of issue) Maturity date: 10.11.2027		CRISIL AA+
Tier II Series XX [^]	26.12.2019	1500.00	120	8.15	December 26, 2029		CRISIL AA+, IND AAA
Tier II Series XXI [^]	29.07.2020	994.00	120	7.25	29.07.2030 - Call Option: At par at the end of 5th Year from the date of allotment or thereafter on each coupon date (with prior RBI permission)		CRISIL AA+, IND AAA
Tier II Series XXII [^]	14.10.2020	1500.00	120	7.25	14.10.2030 - Call Option: At par at the end of 5th Year from the date of allotment or thereafter on each coupon date (with prior RBI permission)		CRISIL AA+, IND AAA
Tier II Series XXIII [^]	11.11.2020	1500.00	180	7.10	11.11.2035 - Call Option: At		CRISIL AA+, IND AAA

					par at the end of 10th Year from the date of allotment or thereafter on each coupon date (with prior RBI permission)			
IPDI/ AT-I Bonds:								
Series I IPDI (Basel II)	05.12.2012	300.00	Perpetual	9.27	Optional call date contingent call dates and redemption amount 05.12.2022 with prior RBI approval			CARE AA, CRISIL AA+
Additional Tier-1 Series VII	13.02.2015	1500.00	Perpetual	9.15	Call option date 13 th Feb,2025 (if the Bank exercises call option at the end of 10 year from the date of issue and thereafter on each coupon date)			CARE AA-, IND AA
Additional Tier-1 Series sVIII\$	03.03.2017	1500.00	Perpetual	8.95	Call option date 3 rd March,2022 (if the Bank exercises call option at the end of 5th year from the date of issue)		NA	BWR AA, IND AA
Additional Tier-1 Series IX	29.03.2017	500.00	Perpetual	9.21	Call option date 29 th March,2022 (if the Bank exercises call option at the end of 5th year from the date of issue)			BWR AA, IND AA
Additional Tier-1 Series X	31.03.2017	250.00	Perpetual	9.21	Call option date 31 st March,2022 (if the Bank exercises call option at the end of 5th year from the date of issue)			BWR AA, IND AA
Additional Tier-1 Series XI	25.07.2017	1500.00	Perpetual	8.98	Call option date 25 th July,2022 (if the Bank exercises call option at the end of 5th year from the date of issue)			BWR AA, IND AA, CRISIL AA
Long Term Bonds								
Long Term Bonds	09.02.2015	1000.00	120	8.23	09.02.2025	Unsecured	NA	CRISIL AA+, CARE AA+, IND AAA
Long Term Bonds	24.03.2015	1800.00	120	8.35	24.03.2025			CRISIL AA+, CARE AA+, ICRA AA-

* These bonds include option of either temporary or permanent written down (at the option of RBI) on occurrence of a PONV breach event under relevant Basel III guidelines

^ These bonds include option of permanent written down (at the option of RBI) on occurrence of a PONV breach event under relevant Basel III guidelines

\$ Payable Semi – Annually

For further detail on bonds rating, kindly refer to our website (<https://www.pnbindia.in/Bank-Rating.html>).

TOP 10 BONDHOLDERS (As on 31.12.2020)

S.N.	Name of Bondholder	Total face value amount of bonds held (Rs. In crore)
1	Life Insurance Corporation Of India	7,920
2	Employees Provident Fund Organization	4,103
3	HDFC Mutual Fund	1,582
4	SBI Mutual Fund	1,215
5	HDFC Bank Ltd	821
6	National Pension System (NPS) Trust	521
7	Kotak Mahindra Mutual Fund	477
8	Coal Mines Provident Fund Organization	469
9	State Bank of India Employees Pension Fund	457
10	Reliance Industries Ltd	296

AMOUNT OF CORPORATE GUARANTEES ISSUED BY THE ISSUER IN FAVOUR OF VARIOUS COUNTER PARTIES INCLUDING ITS SUBSIDIARIES, JOINT VENTURE ENTITIES, GROUP COMPANIES ETC.

The Issuer has not issued any corporate guarantee in favour of any counterparty including its joint venture entities, group companies etc.

CERTIFICATE OF DEPOSITS ISSUED BY THE ISSUER (As on December 31, 2020)

Sr No.	Amount	ROI	Issue date	Days	Due Date	Security	Rating
1	600	5.79%	12/02/2020	365	11/02/2021	Unsecured	CRISIL A1+

DETAILS OF COMMERCIAL PAPER: NOT APPLICABLE

OTHER BORROWINGS (INCLUDING HYBRID DEBT LIKE FOREIGN CURRENCY CONVERTIBLE BONDS ("FCCBs"), OPTIONALLY CONVERTIBLE BONDS/ DEBENTURES/ PREFERENCE SHARES)

The Bank has not issued any hybrid debt like Foreign Currency Convertible Bonds ("FCCBs"), Optionally Convertible Bonds/ Debentures ("OCBs")/ Preference Shares etc.

DETAILS OF ALL DEFAULT/S AND/OR DELAY IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE COMPANY, IN THE PAST 5 YEARS

The Bank hereby confirms that:

- The main constituents of Bank's borrowings have been in the form of borrowings from RBI, inter-bank borrowings, call money borrowings, term money borrowings, savings bank deposits, current account deposits, term deposits, subordinated bonds, certificate of deposits etc.
- The Bank has been servicing all its principal and interest liabilities on time and there has been no instance of delay or default since inception.
- The Bank has neither defaulted in repayment/ redemption of any of its borrowings nor affected any kind of roll over against any of its borrowings in the past.

PARTICULARS OF DEBT SECURITIES ISSUED (I) FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION

The Bank hereby confirms that it has not issued any debt securities or agreed to issue any debt securities for



consideration other than cash, whether in whole or in part, at a premium or discount or in pursuance of an option since inception.

PROMOTER HOLDING IN THE ISSUER

SN	Name of Shareholder	Total No. of Equity Shares held	Total shareholding as a % age of Total No. of Equity Shares	No of Equity Shares pledged	% of Equity Shares pledged with respect to shares owned
1	President of India	8,05,41,25,685	76.87%	Nil	N/A

X. AUDITED STANDALONE & CONSOLIDATED FINANCIAL INFORMATION OF THE ISSUER

STANDALONE STATEMENT OF PROFIT & LOSS

(Rs Crore)

S No	Particulars	Year ended March 31,2018*	Year ended March 31,2019*	Year ended March 31,2020*	H1FY21 [#]
1	INCOME				
	Interest Earned	47,995.76	51,310.25	53,800.03	41,550.75
	Other Income	8,880.87	7,377.41	9,274.13	6,180.61
	TOTAL	56,876.63	58,687.66	63,074.16	47,731.36
II	EXPENDITURE				
	Interest Expended	33,073.36	34,153.94	36,362.24	26,409.12
	Operating Expenses	13,509.07	11,538.48	11,973.37	10,367.28
	Provisions and Contingencies	29,869.28	28,341.01	13,999.56	10,025.70
	TOTAL	76,451.71	74,033.43	62,335.17	46,802.10
III	PROFIT				
	Net Profit for the period	-12,282.82	-9,975.49	336.20	929.26
	Available for Appropriation	-12,282.82	-9,975.49	336.20	-
IV	Appropriations				
	Statutory Reserve	-	-	84.05	-
	Capital Reserve	1,024.93	86.13	203.63	-
	Revenue and Other Reserves	-13,307.75	-134.31	-	-
	Dividend proposed for the year	-	-	-	-
	Interim Dividend@100% of paid up	-	-	-	-
	Tax on Dividend proposed for the year	-	-	-	-
	Add Balance Transferred from provision for Tax on Dividend	-	-	-	-
	Special Reserve u/s 36(1)	-	-	-	-
	Investment Fluctuation reserve	-	-	48.52	-
	Balance in Profit & Loss Account	-	-9927.3	-	-
	TOTAL	-12,282.82	-9,975.49	336.19	-
	Basic & Diluted Earnings per Share (in Rs)	-55.39	-30.94	0.62	0.99

* Limited reviewed financials as submitted to the Stock Exchanges

[#] Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

Consolidated Statement of Profit & Loss

(Rs Crore)

S No	Particulars	Year ended March 31,2018*	Year ended March 31,2019*	Year ended March 31, 2020*	H1FY21 [#]
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I	INCOME				
	Interest Earned	48,724.85	52,147.14	54,918.47	42,136.54
	Other Income	8,883.34	7,367.39	9,387.66	6,435.31
	TOTAL	57,608.19	59,514.53	64,306.13	48,571.85
II	EXPENDITURE				
	Interest Expended	33,530.39	34,655.66	36,997.47	26,694.45
	Operating Expenses	13,642.59	11,689.26	12,150.50	10,471.29
	Provisions and Contingencies	30,281.36	28,534.37	14,331.14	10,386.26
	TOTAL	77,454.34	74,879.29	63,479.11	47,552.00
	Consolidated Net Profit for the year of the parent & subsidiaries before Minority interest	-12,584.34	-10,026.41	363.34	1,019.85
	Less : Minority Interest/ Shares of earnings in Associates (net)	470.97	456.30	168.07	94.02
	Consolidated Net Profit for the year attributable to the group	-12,113.37	-9,570.11	438.45	1,113.87
	Add: Brought forward consolidated profit attributable to the group	219.84	1,092.86	-8,488.92	-
	Add: Transfer from Capital Reserve	-	-	-	-
	Profit available for Appropriation	-11,893.53	-8,477.25	-8,050.47	-
	APPROPRIATIONS				
	Transfer to Reserve (Net)				-
	Statutory reserve	20.64	29.49	139.74	-
	Capital reserve	-	86.13	203.63	-
	Others				
	Investment Fluctuation Reserve	-	0.35	48.52	-
	Other reserve	-13,307.75	-134.31	-105.34	-
	Special Reserve	-	-	-	-
	Proposed Dividend	61.97	30.01	32.07	-
	Interim Dividend	-	-	-	-
	Balance Carried over to consolidated Balance Sheet	303.10	-8,488.92	-8,369.08	-
	Others	1028.51	-	-	-
	Total	-11,893.53	-8,477.25	-8050.47	-
	Earnings per Share Non-Annualized (in Rs) (Nominal value per share Rs 10)	-54.63	-29.68	0.80	1.18

^a Limited reviewed financials as submitted to the Stock Exchanges

*Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

STANDALONE BALANCE SHEET

(Rs crore)

Particulars	As on March 31, 2018*	As on March 31, 2019*	As on March 31, 2020*	H1FY21 [#]
CAPITAL & LIABILITIES				
Capital	552.11	920.81	1,347.51	1,882.13
Share Application Money pending allotment	-	-	-	
Reserves and Surplus	40,522.19	43,866.32	61,009.97	85,074.96
Deposits	642,226.19	676,030.13	703,846.32	10,69,747.07
Borrowings	60,850.75	39,325.91	50,225.43	45,731.17
Other Liabilities and Provisions	21,678.86	14,806.29	14,236.68	24,690.37
TOTAL	765,830.10	774,949.46	830,665.91	12,27,125.70
ASSETS				
Cash and Balances with Reserve Bank of India	28,789.03	32,129.13	38,397.85	68,592.81
Balances with Banks and Money at Call and Short Notice	66,672.97	43,158.91	37,595.18	35,204.57
Investments	200,305.98	202,128.22	240,465.64	3,91,754.24
Advances	433,734.72	458,249.20	471,827.72	6,52,662.69
Fixed Assets	6,349.33	6,224.85	7,239.07	10,852.85
Other Assets	29,978.07	33,059.15	35,140.45	68,058.54
TOTAL	765,830.10	774,949.46	830,665.91	12,27,125.70

[#] Limited reviewed financials as submitted to the Stock Exchanges

*Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

CONSOLIDATED BALANCE SHEET

(Rs crore)

Particulars	As on March 31, 2018*	As on March 31, 2019*	As on March 31, 2020*	H1FY21 [#]
CAPITAL & LIABILITIES				
Capital	552.11	920.81	1,347.51	1,882.13
Share Application Money pending allotment	-	-	-	
Reserves and Surplus (including Minority interest)	41,273.71	44,597.32	62,889.54	86,897.61
Deposits	648,439.01	681,874.18	710,254.37	10,76,501.37
Borrowings	65,329.66	46,827.97	62,512.41	59,614.51
Other Liabilities and Provisions	21,933.57	15,045.51	14,453.42	25,267.18
TOTAL	777,528.07	789,265.79	851,457.25	12,50,162.80
ASSETS				
Cash and Balances with Reserve Bank of India	29,028.91	32,338.31	38,603.79	68,954.76

Balances with Banks and Money at Call and Short Notice	68,459.24	44,957.65	39,151.96	36,474.80
Investments	204,418.68	209,723.00	253,782.47	4,07,127.49
Loans & Advances	438,825.78	462,416.23	476,853.34	6,57,882.55
Fixed Assets	6,370.99	6,247.58	7,261.98	10,878.95
Other Assets	30,424.47	33,583.02	35,803.71	68,844.25
TOTAL	777,528.07	789,265.79	851,457.25	12,50,162.80

* Limited reviewed financials as submitted to the Stock Exchanges

* Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

STANDALONE CASH FLOWS STATEMENT

(Rs Crore)

S No	Particulars	As on March 31, 2018*	As on March 31, 2019*	As on March 31, 2020*	H1FY21 [#]
A	Cash flow from operating activities:				
	Net Profit after Tax	-12,282.82	-9,975.49	336.19	929.28
	Add: Provision for Tax (net of deferred tax)	-7,292.25	-5,370.27	402.78	643.66
	Profit before taxes (i)	-19,575.07	-15,345.76	738.98	1,672.02
	(ii) Adjustment for				
	Depreciation Charges (Gross) / Fixed Assets	576.16	578.02	607.67	517.94
	Less: Amount drawn from Revaluation Reserve	-	-	-	
	Provision for NPAs, Floating provision towards NPAs and Bad Debts Write off	24,452.73	24,434.57	14,464.07	8,647.57
	Provision on standard assets & Standard Restructured Accounts	-2,148.17	239.86	68.18	760.91
	Other Provisions (net)	5539.79	3831.87	3,002.80	
	Depreciation/(Release), Write off, Provision on Investment(net)	2,027.14	1,640.94	-366.35	-175.00
	Dividend from subsidiary/Other (Investing activity)	-78.39	-148.80	-154.11	148.61
	Interest on Bonds (financing Activity)	1,807.10	1,152.38	1,176.20	949.01
	Profit/Loss on sale of Fixed asset (net)	-2.59	-18.37	-41.67	-0.91
	Increase/ Decrease in Reserves	-	- 662.31	495.85	-
	ii)	32,173.78	31,048.20	19,252.67	10,791.54
	Operating Profit before Change in Operating assets and liabilities (i+ii)	12,598.70	15,702.43	19,991.65	12,364.46
	iii) Adjustment for net change in operating Assets and liabilities				
	Decrease/(Increase) in Investment	-14,890.93	-3,466.68	-37,771.21	-19,743.59
	Decrease/(Increase) in advances	-37,860.64	-48,949.06	-27,276.31	36,304.68
	Decrease/(Increase) in other Assets	-6,759.80	730.86	-194.40	-3,068.87
	Increase/(Decrease) in Deposits	20,522.17	33,803.94	27,816.18	-1,815.56
	Increase/(Decrease) in Borrowings	21,297.41	-19,304.33	12,099.51	-20,889.59
	Increase/(Decrease) in Other Liabilities & Provisions	7,857.41	-8,996.99	-3,878.30	-4,365.93
	(iii)	-9,834.39	- 46,182.26	-29,204.55	-13,578.87
	Cash generated from Operations (i+ii+iii)	2,764.31	- 30,479.82	-9,212.89	-1214.40
	Tax Paid (net of refund)	-1752.62	-412.68	-2,123.33	490.52
	Net cash from operating activities (A)	1,011.69	- 30,892.51	-11,336.23	-723.88

B	Cash flow from investing activities:				
	Purchase of Fixed assets (Net of sale)	-649.65	-434.62	-1615.21	-269.27
	Dividend received from Subsidiaries/JVs/RRBs	78.39	148.80	154.,11	56.58
	Investment in Subsidiaries/JVs/RRBs	-716.74	25.45	-54.74	-129.35
	Net cash used in investing activities (B)	-1,288.00	-260.36	-1,515.85	-342.04
C	Cash flow from financing activities:				
	Share Capital (Incl. Premium)	10,423.77	14,803.67	16,091.0	0
	Bonds (Tier 1 & Tier II) Issued/Redemption	-1,210.00	-2,220.50	-1,200.00	108.94
	Interest paid on Bonds	-1,807.10	-1,152.38	-1,176.20	-949.01
	Payments of dividends/Corporate Tax on Dividend	-	-	-	0
	Share application money pending allotment	-	-	-	-
	Increase/ Decrease in Reserves	-	-451.87	-157.72	-
	Net cash from financing activities (C)	7,406.67	10,978.92	13,557.07	-840.54
D	Cash and Cash Equivalents received on account of amalgamation	-	-	-	29,710.82
E	Net change in cash & cash equivalents (A)+(B)+(C)+(D)	7,130.35	-20,173.96	704.98	27,804.35
	Cash and cash equivalents as at the Beginning of they are				
	Cash and Balance with Reserve bank of India	25,209.99	28,789.03	32,129.13	38,397.85
	Balance with Banks & Money at call & short notice	63,121.65	66,672.97	43,158.90	37,595.17
	Cash and cash equivalents as at the end of the year				
	Cash and Balance with Reserve bank of India	28,789.03	32,129.13	38,397.85	68,592.81
	Balance with Banks & Money at call & short notice	66,672.97	43,158.90	37,595.17	35,204.57
		95,462	75,288.03	75,993.02	103,797.38

*Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

CONSOLIDATED CASH FLOWS STATEMENT

(Rs Crore)

S No	Particulars	As on March 31, 2018*	As on March 31, 2019*	As on March 31, 2020*	H1FY21*
A	Cash flow from operating activities:				
	Net Profit after Tax	-12,584.34	-10,026.41	316.86	1,113.88
	Add: Share of earning in Associates	473.07	476.39	121.59	
	Add: Provision for Tax (net of deferred tax)	-7,261.81	-5,338.35	463.68	748.73
	Profit before taxes (i)	-19,373.08	-14,888.37	902.13	1,862.61
	(ii) Adjustment for				
	Depreciation Charges (Gross) / Fixed Assets	581.03	584.01	614.44	519.87
	Less: Amount drawn from Revaluation Reserve	-	-	-	

Provision for NPAs, Floating provision towards NPAs and Bad Debts Write off	24,851.54	24,630.38	14,715.78	8,927.63
Provision on standard assets & Standard Restructured Accounts	-2,187.45	205.74	73.46	763.10
Share of earning in associates	-473.07	-476.39	-121.59	-179.15
Provision on investment (net)	2,030.71	1,640.33	-368.07	-175.02
Other Provisions (net)	1,210.43	3,865.91	-90.01	148.61
Dividend from subsidiary/Other (Investing activity)	-139.53	-148.82	-154.14	
Interest on Bonds (financing Activity)	1,807.10	-1,152.39	1176.20	949.02
Profit/Loss on sale of Fixed asset (net)	-2.60	-18.37	-41.67	-0.90
Increase/ (Decrease) in Reserves	-	-662.31	565.40	
ii)	27,678.15	28,468.09	16,369.79	10,953.16
Operating Profit before Change in Operating assets and liabilities (i+ii)	8,305.06	13,579.72	17,271.92	12,815.77
iii) Adjustment for net change in operating Assets and liabilities				
Decrease/(Increase) in Investment	-15,352.94	-6,985.92	-43,161.79	-21,961.37
Decrease/(Increase) in advances	-39,446.83	-48,883.12	-28,919.53	35,830.38
Decrease/(Increase) in other Assets	-1,732.40	635.36	-396.26	-3,152.88
Increase/(Decrease) in Deposits	18,788.15	33,435.17	28,380.18	-1,469.31
Increase/(Decrease) in Borrowings	23,206.04	-16,287.16	16,874.67	-19,290.39
Increase/(Decrease) in Other Liabilities & Provisions	6,272.76	-8,966.2	-594.62	-4,008.05
(iii)	-8,265.22	-47,081.88	-27,817.34	-14,051.62
Cash generated from Operations (i+ii+iii)	39.84	-33,502.16	-10,545.43	-1,235.85
Tax Paid (net of refund)	-1,781.98	-29.80	-2198.11	247.07
Net cash from operating activities (A)	-1,742.14	-33,531.96	-12,743.53	-988.78
B Cash flow from investing activities:				
Purchase of Fixed assets (Net of sale)	-651.66	-440.33	-1588.53	-274.43
Dividend received from Subsidiaries/JVs/RRBs	139.53	148.82	154.14	-
Investment in Subsidiaries/JVs/RRBs	903.78	-337.66	447.29	-
Net cash used in investing activities (B)	391.66	-629.17	-987.10	-274.43

C	Cash flow from financing activities:				
	Share Capital (Incl. Premium)	10,485.93	14,810.06	16091.0	0.00
	Share Application money pending allotment	-	-		
	Increase/ (Decrease) in reserves	-	227.94	495.86	
	Bonds (Tier 1 & Tier II) Issued/Redemption	-1,212.38	-2,214.53	-1190.24	106.10
	Interest paid on Bonds	-1,807.10	1,152.39	-1176.20	-949.02
	Payments of dividends/ Corporate Tax on Dividend	-6.91	-6.91	-30.01	
	Cash paid to Shareholder of e-OBC & e-UNI towards fractional entitlement consequent to Amalgamation	-	-	-	-0.47
	Increase/ (Decrease) in minority interest	-	-	-	69.56
	Net cash from financing activities (C)	7,459.54	13,968.95	14,190.41	-773.80
D	Cash and cash equivalent received on account of amalgamation	-	-	-	29,710.82
E	Net change in cash & cash equivalents (A)+(B)+(C)+(D)	6,109.05	-20,192.18	459.78	27,673.81
	Cash and cash equivalents as at the beginning of the year				
	Cash and Balance with Reserve bank of India	25,410.36	29,028.91	32,338.32	38,603.79
	Balance with Banks & Money at call & short notice	65,968.73	68,459.24	44,957.65	39,151.96
		91,379.09	97,488.15	77,295.97	77,755.75
	Cash and cash equivalents as at the end of the year				
	Cash and Balance with Reserve bank of India	29,028.91	32,338.32	38,603.79	68,954.76
	Balance with Banks & Money at call & short notice	68,459.24	44,957.65	39,151.96	36,474.80
		97,488.15	77,295.97	77,755.75	1,05,429.56

*Figures related to standalone PNB financials for pre-amalgamation, hence not comparable with post amalgamation financials for the half year ended 30.09.2020.

For Annual Report FY 18-19, please visit

<https://www.bseindia.com/bseplus/AnnualReport/532461/5324610319.pdf>

For Annual Report FY 19-20, please visit

<https://www.bseindia.com/xml-data/corpfiling/AttachHis/3762f3e2-064b-4470-b950-642585dfc385.pdf>

For Financial Results for H1FY21, please visit

<https://www.bseindia.com/xml-data/corpfiling/AttachLive/22e3e627-2e45-49f7-a5d5-72cfc678ea92.pdf>

AUDITOR QUALIFICATION

Financial Year	Auditor's Qualification
FY 2019-20	Nil

FY 2018-19	Nil
FY 2017-18	Nil
FY 2016-17	Nil
FY 2015-16	Nil

ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/ CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/ PROMOTERS, TAX LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST/ CONTINUE TO INVEST IN THE DEBT SECURITIES

The Issuer hereby confirms that there has been no material event, development or change having implications on the financials/ credit quality of the Issuer (e.g. any material regulatory proceedings against the Issuer/ promoters of the Issuer, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of issue which may affect the issue or the investor's decision to invest/ continue to invest in the debt securities of the Issuer

XI. CREDIT RATING FOR THE BONDS

"IND AA" with stable outlook by India Ratings for BASEL III compliant Additional Tier I Bonds aggregating to Rs. 3,000 crores. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such Instruments carry low credit risk.

"BWR AA" with stable outlook by Brickwork Ratings for BASEL III compliant Additional Tier I Bonds aggregating to Rs. 3,000 crores. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such Instruments carry low credit risk.

Copy of rating letter from India Ratings and Brickwork Ratings is enclosed within the Annexure in this Disclosure Document.

Other than the credit rating mentioned herein above, the Issuer has not sought any other credit rating from any other credit rating agency(ies) for the Bonds offered for subscription under the terms of this Disclosure Document.

The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The rating obtained are subject to revision at any point of time in the future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

XII. NAME OF DEBENTURE TRUSTEE

In accordance with the provisions of (i)Section 117B of the Companies Act, 1956 and Section 71 of the Companies Act, 2013 to the extent in force and notified respectively and (ii) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Bank has appointed, to act as Trustees ("Trustee") for and on behalf of the holder(s) of the Bonds.

The address and contact details of the Trustee are as under:

Debenture Trustee:

Name	SBICAP Trustee Company Limited
Address	Apeejay House, 6th floor, 3, Dinshaw Wachha Road, Churchgate, Mumbai 400 020
Tel No	+91-22-4302 5555
Fax No	+91-22-2204 0465
Email Id	corporate@sbicaptrustee.com

SBICAP Trustee Company Limited has given its consent for its appointment for this particular issue in accordance with the SEBI Regulations. The Bank undertakes that the name of the Trustee shall be mentioned in all periodical communication sent to the Bondholders.





The Bank hereby undertakes that a Trust Deed shall be executed by it in favour of the Trustee within three months of the closure of the Issue. The Trust Deed shall contain such clauses as may be prescribed under Schedule IV of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993. Further the Trust Deed shall not contain any clause which has the effect of (i) limiting or extinguishing the obligations and liabilities of the Trustee or the Bank in relation to any rights or interests of the holder(s) of the Bonds, (ii) limiting or restricting or waiving the provisions of the Securities and Exchange Board of India Act, 1992 (15 of 1992); Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulation, 2013 and circulars or guidelines issued by SEBI, (iii) indemnifying the Trustee or the Bank for loss or damage caused by their act of negligence or commission or omission.

The Bond holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Trustee or any of their agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Trustee may in its absolute discretion deem necessary or require to be done in the interest of the holder(s) of the Bonds. Any payment made by the Bank to the Trustee on behalf of the bond holder(s) shall discharge the Bank pro tanto to the bond holder(s). The Trustee shall protect the interest of the bond holders in the event of default by the Bank in regard to timely payment of interest and repayment of principal and shall take necessary action at the cost of the Bank. No Bond holder shall be entitled to proceed directly against the Bank unless the Trustee, having become so bound to proceed, fail to do so.

The Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustee by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustee. The Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of SEBI Regulations, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, this Disclosure Document and all other related transaction documents, with due care, diligence and loyalty.

The Trustee shall be vested with the requisite power for protecting the interest of holder(s) of the Bonds including but not limited to the right to appoint nominee director on the Board of the issuer in consultation with institutional holders of such Bonds. The Trustee shall ensure disclosure of all material events on an ongoing basis.

XIII. IF THE SECURITY IS BACKED BY A GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT, A COPY OF THE SAME SHALL BE DISCLOSED. IN CASE SUCH DOCUMENT DOES NOT CONTAIN DETAILED PAYMENT STRUCTURE (PROCEDURE OF INVOCATION OF GUARANTEE AND RECEIPT OF PAYMENT BY THE INVESTOR ALONG WITH TIMELINES)

NOT APPLICABLE

XIV. COPY OF CONSENT LETTER FROM THE DEBENTURE TRUSTEE AND REGISTRAR & TRANSFER AGENT

Copy of letter from SBICAP Trustee Company Limited dated October 22, 2020 conveying their consent to act as Trustee for the current issue of Bonds is enclosed with this Disclosure Document as Annexure C. Copy of letter from Alankit Assignments Limited dated October 22, 2020 conveying their consent to act as Registrar & Transfer Agent for the current issue of Bonds is enclosed with this Disclosure Document as Annexure D.

XV. STOCK EXCHANGES WHERE SECURITIES ARE PROPOSED TO BE LISTED

The Bonds are proposed to be listed on the Debt Segment of BSE. The Bank has obtained an in-principle approval from BSE for listing of said Bonds on their Debt Segment and such approval is enclosed with this Disclosure Document as Annexure.

The Designated Stock Exchange for this issue shall be BSE Ltd.

The Bank shall make listing application to BSE within 15 days from the Deemed Date of Allotment of Bonds.

In connection with listing of Bonds with BSE, the Bank hereby undertakes that:

- a. It shall comply with conditions of listing of Bonds as may be specified in the Listing Agreement with BSE
- b. Ratings obtained by the bank shall be periodically reviewed by the credit rating agencies and any revision in the rating shall be promptly disclosed by the Bank to BSE



- c. Any change in rating shall be promptly disseminated to the holder(s) of the Bonds in such manner as BSE may determine from time to time
- d. The Bank, the Trustee and BSE shall disseminate all information and reports on Bonds including compliance reports filed by the Bank and the Trustee regarding the Bonds to the holder(s) of Bonds and the general public by placing them on their websites
- e. Trustee shall disclose the information to the holder(s) of the Bonds and the general public by issuing a press release in any of the following events:
 - i. default by the Bank to pay interest on Bonds or redemption amount;
 - ii. revision of rating assigned to the Bonds;
- f. The information referred to in para (e) above shall also be placed on the websites of the Trustee, Bank and BSE
- g. The Issuer shall, till the redemption of Bonds, submit its latest audited/ limited review half yearly consolidated (wherever available) and standalone financial information such as Statement of Profit & Loss, Balance Sheet and Cash Flow Statement and auditor qualifications, if any, to the Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time. Besides, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustee and the Trustee shall be obliged to share the details so submitted with all Qualified Institutional Buyers ("QIBs") and other existing Bondholder(s) within two working days of their specific request.

XVI. OTHER DETAILS

1. DRR Creation -In pursuance of rule 18(7)(b)(i) of the Companies (Share Capital and Debentures) Rules, 2014, no Debenture Redemption Reserve is required for debentures issued by Banking Companies for both public as well as well as privately placed debentures. The Bank has appointed a trustee to protect the interest of the Bondholders.
2. Issue/Instrument Specific Regulations - Relevant Details (RBI Guidelines, etc).
 - a. Securities Contracts (Regulations) Act, 1956
 - b. Securities and Exchange Board of India Act, 1992
 - c. The Depositories Act, 1996
 - d. The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993
 - e. SEBI Regulations
 - f. Basel III Guidelines. The definitions, abbreviations or terms wherever used shall have the same meaning as defined in the Basel III Guidelines
 - g. Income Tax Act, 1961 & Income Tax Rules, 1962
 - h. Rules and regulations issued under any of the above

XVII. APPLICATION PROCESS

WHO CAN APPLY

As per SEBI Circular SEBI/HO/DDHS/CIR/P/2020/199 dated October 06, 2020, only Qualified Institutional Buyers (QIBs)[#] are allowed to participate in the issuance of AT1 Instruments. The following class of investors are eligible to participate in the offer (being "Eligible Investors"):

- a. a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the Board;
- b. foreign portfolio investor (FPI)*/Foreign Institutional Investors (FII) other than individuals, corporate bodies and family offices;
- c. a public financial institution;
- d. a scheduled commercial bank;
- e. a multilateral and bilateral development financial institution;
- f. a state industrial development corporation;
- g. an insurance company registered with the Insurance Regulatory and Development Authority of India;
- h. a provident fund with minimum corpus of twenty-five crore rupees
- i. a pension fund with minimum corpus of twenty-five crore rupees;
- j. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of



- the Government of India published in the Gazette of India;
- k. insurance funds set up and managed by army, navy or air force of the Union of India; and
 - l. insurance funds set up and managed by the Department of Posts, India; and
 - m. systemically important non-banking financial companies

QIB as defined in Regulation 2(ss) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

*Investment by FPIs/FIIs in these Bonds raised in Indian Rupees shall be within an overall limit of 49% of the issue size subject to the restriction that investment by each FPI shall not exceed 10% of the issue size.

Investment by FPIs/FIIs in these Bonds raised in Indian Rupees shall be subject to compliance with terms and conditions stipulated by the Securities and Exchange Board of India (SEBI)/other regulatory authorities on investment in these instruments.

All investors are required to comply with the relevant regulations/ guidelines applicable to them for investing in the issue of Bonds as per the norms approved by Government of India, Reserve Bank of India or any other statutory body from time to time.

However, out of the aforesaid class of investors eligible to invest, this Disclosure Document is intended solely for the use of the person to whom it has been sent by the Bank for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the Bonds offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Disclosure Document from the Bank).

APPLICATION BY VARIOUS APPLICANT CATEGORIES

APPLICATION UNDER POWER OF ATTORNEY OR BY LIMITED COMPANIES

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund, and scientific and/or industrial research organizations or Trusts etc., the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the application form, quoting the serial number of the application form and the Bank's branch where the application has been submitted, at the office of the Registrars to the Issue after submission of the application form to the Bankers to the issue or any of the designated branches as mentioned on the reverse of the Application Form, failing which the applications are liable to be rejected. Such authority received by the Registrars to the Issue more than 10 days after closure of the subscription list may not be considered.

APPLICATIONS UNDER POWER OF ATTORNEY

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Bank or to its Registrars or to such other person(s) at such other address(es) as may be specified by the Bank from time to time through a suitable communication.

APPLICATIONS BY COMPANIES/ BODIES CORPORATE/ FINANCIAL INSTITUTIONS/ STATUTORY CORPORATIONS

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Associations / Constitution / Bye-Law(s) (ii) certified true copy of the resolution authorizing investment and containing operating instructions (iii) specimen signatures of authorized signatories and (iv) relevant certificate(s) in the prescribed form(s) under Income Tax Rules, 1962, if exemption is sought from deduction of tax at source on interest income.

APPLICATION BY REGIONAL RURAL BANKS

The Reserve Bank of India has permitted, vide its circular no. RPCD.RRB.BC. 882/03.05.34/ 96-97 dated December 13, 1996, the RRBs to invest their non-SLR surplus resources in bonds of public sector undertakings. The RBI has vide circular no. RPCD (H)/04.03.06/98-99 dated November 02, 1998 clarified that single exposure norms would be applicable in respect of investment in debentures and bonds of public sector undertakings.

The application must be accompanied by certified true copies of (i) Government notification/ Certificate of Incorporation / Memorandum and Articles of Association/ other documents governing the constitution (ii) resolution authorizing investment and containing operating instructions (iii) specimen signatures of authorized signatories (iv)



Form 15H for claiming exemption from deduction of tax at source on income from interest on application money and (v) Form 15AA for claiming exemption from deduction of tax at source on the interest income.

APPLICATION BY MUTUAL FUNDS

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- SEBI registration certificate
- Resolution authorizing investment and containing operating instructions
- Specimen signature of authorized signatories

APPLICATION BY PROVIDENT FUNDS, SUPERANNUATION FUNDS AND GRATUITY FUNDS

The applications must be accompanied by certified true copies of

- Trust deed / bye laws / resolutions
- Resolution authorizing investment
- Specimen signatures of the authorized signatories

Those desirous of claiming tax exemptions on interest on application money are required to submit a certificate issued by the Income Tax officer along with the Application Form. For subsequent interest payments, such certificates have to be submitted periodically.

SUBMISSION OF DOCUMENTS

Investors need to submit the certified true copies of the following documents, along-with the Application Form, as applicable:

- Memorandum and Articles of Association/ Constitution/ Bye-laws/ Trust Deed;
- Government notification/ Certificate of incorporation (in case of Primary Co-operative Bank and Regional Rural Banks);
- SEBI Registration Certificate, if applicable;
- Board Resolution authorizing investment along with operating instructions;
- Power of Attorney/ relevant resolution/ authority to make application;
- Form 15AA granting exemption from TDS on interest, if any;
- Form 15G/ 15H for claiming exemption from TDS on interest on application money, if any;
- Order u/s197 of Income Tax Act, 1961;
- Order u/s10 of Income Tax Act, 1961;
- Permanent Account Number Card ("PAN Card") issued by the Income Tax Department;
- Specimen signatures of the authorized signatories (ink signed), duly certified by an appropriate authority.

Every application shall be required to be accompanied by the bank account details of the Applicant for the purpose of facilitating direct credit of all amounts through RTGS/NEFT.

(A) PROCEDURE FOR APPLYING FOR DEMAT FACILITY

- The applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL/ CDSL prior to making the application.
- The applicant must necessarily fill in the details (including the beneficiary account number and Depository Participant's ID appearing in the Application Form under the heading 'Details for Issue of Bonds in Electronic/ Dematerialized Form'.)
- Bonds allotted to an applicant will be credited directly to the applicant's respective Beneficiary Account(s) with the DP.
- For subscribing the Bonds names in the application form should be identical to those appearing in the account details in the depository. In case of joint holders the names should necessarily be in the same sequence as they appear in the account details in the depository.
- Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrars to the Issue.
- If incomplete/incorrect details are given under the heading 'Details for Issue of Bonds in Electronic/ Dematerialized Form' in the application form it will be deemed to be an incomplete application and the

- same may be held liable for rejection at the sole discretion of the Issuer.
7. For allotment of Bonds the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The Applicant is therefore responsible for the correctness of his/her demographic details given in the application form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient the Issuer would not be liable for losses, if any.
 8. It may be noted that Bonds will be issued in electronic form. The same can be traded only on the Stock Exchanges having electronic connectivity with NSDL/ CDSL. The BSE, where the Bonds of the Bank are proposed to be listed have connectivity with NSDL/ CDSL.
 9. Payment of interest or repayment of principal would be made to those Bond holders whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on Record Date. In case of those Bond for which the beneficial owner is not identified by the Depository as on the Record Date, the issuer would keep in abeyance the payment of interest or repayment of principal, till such time that the beneficial owner is identified by the Depository and conveyed to the Issuer, whereupon the interest or principal would be paid to the beneficiaries, as identified, within a period of 30 days.
 10. The Bonds shall be directly credited to the Beneficiary Account as given in the Application Form and after due verification, allotment advice/ refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the Bonds to the applicants Depository Account will be provided to the applicant by the Depository Participant of the applicant.

(B) HOW TO APPLY:

This being a private placement offer, investors who are established/ resident in India and who have been addressed through this communication directly only are eligible to apply.

All eligible Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE. Investors will also have to complete the mandatory know your customer verification process. Investors should refer to the Operating Guidelines in this respect. The Application Form will be filled in by each Investor and uploaded in accordance with the SEBI regulatory and operational guidelines. Applications for the Bonds must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English as per the instructions contained therein.

- (a) The details of the Issue shall be entered on the EBP Platform by the Issuer at least 2 (two) Business Days prior to the Issue opening date, in accordance with the Operational Guidelines.
- (b) The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the EBP Platform, at least 1 (one) Business Day before the start of the Issue opening date.

Some of the key guidelines in terms of the current Operational Guidelines on issuance of securities on private placement basis through an EBP mechanism, are as follows:

(a) Modification of Bid

Investors may note that modification of bid is allowed during the bidding period / window. However, in the last 10 (ten) minutes of the bidding period / window, revision of bid is only allowed for improvement of coupon / yield and upward revision of the bid amount placed by the Investor.

(b) Cancellation of Bid

Investors may note that cancellation of bid is allowed during the bidding period / window. However, in the last 10 minutes of the bidding period / window, no cancellation of bids is permitted.

(c) Multiple Bids

Investors are permitted to place multiple bids on the EBP platform in line with EBP Guidelines vide SEBI EBP Circular.

However, Investors should refer to the Operational Guidelines prevailing as on the date of the bid.

Payment Mechanism

Applicants shall make remittance of application money by way of electronic transfer of funds through RTGS/electronic fund mechanism for credit by the pay-in time in the bank account of the clearing corporation appearing on the EBP Platform in accordance with the timelines set out in the Operating Guidelines and the relevant rules and regulations specified by SEBI in this regard. All payments must be made through RTGS as per the Bank



details mentioned in the application form EBP platform.

The Bank assumes no responsibility for any Applications lost in mail. The entire amount of Rs.10 lacs per Bond is payable on application.

The participants should do the funds pay-in to the Indian Clearing Corporation Ltd's (ICCL) designated Bank account up to 10:30 am on January 22, 2020. The participants must ensure to do the funds pay-in from their same bank account which is updated by them in the BSE BOND (EBP) platform while placing the bids. The Designated Bank Accounts of ICCL are as under:

Banker	ICICI Bank
Beneficiary A/c Name	INDIAN CLEARING CORPORATION LTD
Beneficiary A/c Number	ICCLEB
IFSC Code	ICIC0000106

Banker	YES Bank
Beneficiary A/c Name	INDIAN CLEARING CORPORATION LTD
Beneficiary A/c Number	ICCLEB
IFSC Code	YESB0CMSNOC

Banker	HDFC Bank
Beneficiary A/c Name	INDIAN CLEARING CORPORATION LTD
Beneficiary A/c Number	ICCLEB
IFSC Code	HDFC0000060

1. Cash, Money Orders, Demand draft, Postal Orders shall not be accepted. The Issuer assumes no responsibility for any applications lost in mail. The entire amount of Rs.10 lacs per Bond is payable on application.
2. All Application Forms duly completed (along with all necessary documents as detailed in this Disclosure Document) must be delivered before the closing of the issue to the Issuer. While forwarding the application form, applicants must ensure that the relevant UTR number/ or any other evidence of having remitted the application money is obtained. Detailed instructions for filling up the application form are provided elsewhere in this Disclosure Document.
3. Applications for the Bonds must be in the prescribed form (enclosed) and completed in BLOCK LETTERS in English and as per the instructions contained therein. Applications should be for the number of Bonds applied by the Applicant. Applications not completed in the prescribed manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/redemption warrants.
4. The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-Tax Act, 1961 or where the same has not been allotted, the GIR No. and the Income tax Circle/ Ward/ District. As per the provision of Section 139A (5A) of the Income Tax Act, PAN/GIR No. needs to be mentioned on the TDS certificates. Hence, the investor should mention his PAN/GIR No. if the investor does not submit Form 15G/15AA/other evidence, as the case may be for non-deduction of tax at source. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" and in case the applicant is not assessed to income tax, the applicant shall mention "Not Applicable" (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.
5. All applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments. No separate receipts shall be issued for the application money. However, the Issuer receiving the duly completed Application Form(s) will acknowledge the receipt of the applications by stamping and returning the acknowledgment slip to the applicant. Applications shall be deemed to have been received by the Issuer only when submitted to it or on receipt by the Registrar as detailed above and not otherwise.
6. For further instructions about how to make an application for applying for the Bonds and procedure for remittance of application money, please refer to the Term Sheet and the Application form carefully.



PROCESS FLOW OF SETTLEMENT:

Successful bidders shall make pay-in of funds towards the allocation made to them, in the bank account of the clearing corporation, on or before 10:30 A.M. on the Deemed Date of Allotment. The fund pay-in by the successful bidders will be made only from the bank account(s), which have been provided/updated in the electronic book mechanism system. Upon the transfer of funds into the aforesaid account and the Issuer confirming its decision to proceed with the allotment of the Debentures in favour of the Debenture Holder(s) to the Indian Clearing Corporation Limited, the R&T Agent shall provide the corporate action file along with all requisite documents to the Depositories by 12:00 hours and subsequently, the pay-in funds shall be released into the Issuer's bank account.

INVESTOR GRIEVANCE AND REDRESSAL SYSTEMS

Arrangements have been made to redress investor grievances expeditiously as far as possible, the Issuer endeavors to resolve the investor's grievances within 30 days of its receipt. All grievances related to the issue quoting the Application Number (including prefix), number of Bonds applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at registered office of the Issuer. All investors are hereby informed that the Issuer has appointed a Compliance Officer who may be contracted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ bond certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Disclosure Document.

Investor Relations Officer	Ms. Ekta Pasricha
Designation / Department	Company Secretary
Address	Punjab National Bank, Finance Division, Plot No-4, Sec-10, Dwarka, New Delhi-110075
Tel. No.	011-28073025
E-mail	hosd@pnb.co.in
Website	www.pnbindia.com

XVIII. SUMMARY TERM SHEET

ISSUE DETAILS

Security Name	8.60% Punjab National Bank AT1
Series	Series XII
Issuer/Bank	Punjab National Bank
Type of Instrument	Unsecured, subordinated, non-convertible, fully paid-up, perpetual, taxable bonds which will qualify as Additional Tier I Capital (the "Bonds")
Nature of Instrument	Unsecured Basel III compliant Additional Tier I Bonds The Bonds are neither secured nor covered by a guarantee of the Bank nor related entity or other arrangements that legally or economically enhances the seniority of the claim of the Bondholder vis-à-vis other creditors of the Bank The instrument has certain unique features which, inter-alia, grant the Bank, in consultation with RBI a discretion in terms of writing down the principal / interest, to skip interest payments, to make an early recall etc. without commensurate right for investors to legal recourse, even if such actions of the Bank might result in potential loss to investors.
Seniority	Claims of the investors in this instrument shall rank: i. superior to the claims of investors in equity shares and perpetual non-cumulative preference shares, if any, of the Issuer; ii. subordinated to the claims of all depositors and general creditors and subordinated debt of the Issuer other than subordinated debt qualifying as Additional Tier 1 Capital (as the term is defined in the Basel III Guidelines) of the Issuer;

	<p>iii. <i>pari passu</i> without preference amongst themselves and other subordinated debt classifying as Additional Tier 1 Capital in terms of Basel III Guidelines;</p> <p>iv. neither secured nor covered by a guarantee of the Issuer nor related entity or other arrangement that legally or economically enhances the seniority of the claim vis-à-vis Bank creditors.</p> <p>Notwithstanding anything to the contrary stipulated herein, the claims of the Bondholders shall be subject to the provisions of "Coupon Discretion", "Loss Absorbency", and other conditions mentioned in this Disclosure Document and this Summary Term Sheet.</p> <p>The Bonds shall not contribute to liabilities exceeding assets of the Bank if such a balance sheet test forms part of a requirement to prove insolvency under any law or otherwise.</p>
Mode of Issue	Private Placement in Demat form through EBP platform
EBP Platform	BSE Electronic Bidding Platform
Type of Bidding	Closed Bidding
Manner of Allotment	Uniform Coupon
Eligible Investors	<p>As per SEBI Circular SEBI/HO/DDHS/CIR/P/2020/199 dated October 06, 2020, only Qualified Institutional Buyers (QIBs)[#] are allowed to participate in the issuance of ATI instruments. The following class of investors are eligible to participate in the offer (being "Eligible Investors"):</p> <ul style="list-style-type: none"> (i) a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the Board; (ii) foreign portfolio investor (FPI)*/Foreign Institutional Investors (FII) other than individuals, corporate bodies and family offices other than individuals, corporate bodies and family offices; (iii) a public financial institution; (iv) a scheduled commercial bank; (v) a multilateral and bilateral development financial institution; (vi) a state industrial development corporation; (vii) an insurance company registered with the Insurance Regulatory and Development Authority of India; (viii) a provident fund with minimum corpus of twenty-five crore rupees (ix) a pension fund with minimum corpus of twenty-five crore rupees; (x) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; (xi) insurance funds set up and managed by army, navy or air force of the Union of India; and (xii) insurance funds set up and managed by the Department of Posts, India; and (xiii) systemically important non-banking financial companies; <p># QIB as defined in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018</p> <p>*Investment by FPIs/FIIs in these Bonds raised in Indian Rupees shall be within an overall limit of 49% of the issue size subject to the restriction that investment by each FPI shall not exceed 10% of the issue size.</p> <p>Further, investment by FPIs/ FIIs in these Bonds raised in Indian Rupees shall be subject to compliance with terms and conditions</p>

	<p>stipulated by the RBI, SEBI or any other regulatory authorities on investment in these Bonds.</p> <p>The issuance being a private placement through the EBP Platform, the investors who have bid on its own account or through arrangers, if any, appointed by Issuer, in the issue through the said platform and in compliance with SEBI circulars on the above subject and EBP Platform operating guidelines are only eligible to apply. Any other application shall be at the sole discretion of the Issuer.</p> <p>Further, notwithstanding anything contained above, only eligible investors who have been addressed through the application form are eligible to apply.</p> <p>Prior to making any investment in these Bonds, each Eligible Investor should satisfy and assure itself that it is authorized and eligible to invest in these Bonds. The Bank shall be under no obligation to verify the eligibility/authority of the Eligible Investor to invest in these Bonds. Further, mere receipt of this Disclosure Document (and/or any Transaction Document in relation thereto and/or any draft of the Transaction Documents and/or this Disclosure Document) by a person shall not be construed as any representation by the Bank that such person is authorized to invest in these Bonds or eligible to subscribe to these Bonds. If after applying for subscription to these Bonds and/or allotment of Bonds to any person, such person becomes ineligible and/or is found to have been ineligible to invest in/hold these Bonds, the Bank shall not be responsible in any manner.</p> <p>Notwithstanding any acceptance of bids by the Bank on and/or pursuant to the bidding process on the Electronic Book Platform, (a) if a person, in the Bank's view, is not an Eligible Investor, the Bank shall have the right to refuse allotment of Bonds to such person and reject such person's application; (b) if after applying for subscription to these Bonds and/or allotment of Bonds to any person, such person becomes ineligible and/or is found to have been ineligible to invest in/hold these Bonds, the Issuer shall not be responsible in any manner</p>
Listing	<p>The Bonds are proposed to be listed on the Debt Segment of BSE. The Issuer shall make listing application to BSE and shall seek listing permission within 4 Business days of the closure of the Issue.</p> <p>The Designated Stock Exchange for this issue shall be BSE Ltd.</p>
Credit Rating	<p>"IND AA" with stable outlook by India Ratings & Research Private Ltd and "BWR AA" with stable outlook by Brickwork Ratings India Private Ltd</p>
Issue Size	<p>Aggregate total issue size not exceeding Rs. 1,000 crores with a base issue size of Rs.300 crore and a green-shoe option to retain oversubscription upto Rs.700 crore</p>
Accepted Amount on EBP	Rs.495 Crore
Option to retain oversubscription	Yes. Green-shoe option to retain oversubscription upto Rs. 700 crore
Objects of the Issue	<p>Augmenting Additional Tier I Capital and overall capital of the Bank for strengthening its capital adequacy and for enhancing its long-term resources in accordance with RBI Guidelines</p> <p>The funds being raised by the Bank through this Issue are not meant for financing any particular project. The Bank shall utilise the proceeds of the issue for its regular business activities</p>
Details of Utilization of funds	<p>The Bank shall utilize the proceeds of the issue for augmenting Additional Tier I Capital and overall capital of the Bank for</p>

	strengthening its capital adequacy and for enhancing its long-term resources in accordance with RBI Guidelines
Coupon Rate	8.60% p.a. subject to "Coupon Discretion" and "Loss Absorbency" mentioned in this Summary Term Sheet
Step Up/Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Annual
Coupon Payment Dates	On the Anniversary of Deemed Date of Allotment every year till redemption of bonds
Coupon Type	Fixed
Cumulative or Non-cumulative	Coupon on the Bonds will be non-cumulative. If Coupon is cancelled or not paid or paid at a rate lesser than the Coupon Rate, such unpaid and/or cancelled Coupon will not be paid in future years. Non-payment of Coupon will not constitute an Event of Default in respect of the Bonds
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
Day Count Basis	<p>The Coupon for each of the interest periods shall be computed as per Actual / Actual day count convention (as per the SEBI Circular dated October 29, 2013 bearing reference CIR/IMD/DF/18/2013) and SEBI Circular dated November 11, 2016 bearing reference CIR/IMD/DF-1/122/2016) on the face value/principal outstanding after adjustments and write-off on account of "Loss Absorbency" and "Other Events" mentioned in this Summary Term Sheet, at the Coupon Rate rounded off to the nearest Rupee.</p> <p>The Interest Period means each period beginning on (and including) the Deemed Date of Allotment(s) or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date/ Call Option Date (if exercised).</p> <p>It is clarified that in case of Coupon payment in a leap year, the same shall be calculated taking the number of days as 366 (three hundred and sixty-six) days (per the SEBI Circular dated November 11, 2016 bearing reference CIR/IMD/DF-1/122/2016)</p>
Business Day Convention/ Effect of Holidays	<p>Should any of the dates (other than the Coupon Payment Date) including the Deemed Date of Allotment, Issuer Call Date, Tax Call Date or Regulatory Call Date as defined herein, fall on day which is not a Business Day, the immediately preceding Business Day shall be considered as the effective date.</p> <p>'Business Day' shall be a day on which commercial banks are open for business in the city of Mumbai, Maharashtra and when the money market is functioning in Mumbai. If the date of payment of interest/redemption of principal does not fall on a Business Day, the payment of interest/principal shall be made in accordance with SEBI Circular CIR/IMD/DF-1/122/2016 dated November 11, 2016.</p> <p>If any of the Coupon Payment Date(s), other than the ones falling on the redemption date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the coupon payment date for that coupon. However, the future coupon payment date(s) would be as per the schedule originally stipulated at the time of issuing the debentures. In other words, the subsequent coupon payment date(s) would not be changed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a non-Business Day.</p> <p>If the redemption date of the Bonds falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new redemption date, along with interest accrued on the debentures until but excluding the date of such payment</p>

Interest on Application Money	<p>Interest at the Coupon Rate (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, as applicable) will be paid to the applicants on the application money for the Bonds for the period starting from and including the date of realization of application money in the Issuer's bank account up to one day prior to the Deemed Date of Allotment.</p> <p>The Interest on application money will be computed as per Actual/Actual Day count convention. Such interest would be paid on all the valid applications including the refunds. For the application amount that has been refunded, the Interest on application money will be paid along with the refund orders and for the application amount against which Bonds have been allotted, the Interest on application money will be paid within ten working days from the Deemed Date of Allotment. Where an Applicant is allotted lesser number of Bonds than applied for, the excess amount paid on application will be refunded to the Applicant along with the interest on refunded money. Income Tax at Source (TDS) will be deducted at the applicable rate on Interest on application money.</p> <p>The Bank shall not be liable to pay any interest in case of invalid applications or applications liable to be rejected including applications made by person who is not an Eligible Investor. If the Pay-In Date and the Deemed Date of Allotment fall on the same date, interest on application money shall not be applicable. Further, no interest on application money will be payable in case the Issue is withdrawn by the Issuer in accordance with the Operational Guidelines.</p>
Default Interest Rate	Not Applicable
Tenor	Perpetual
Redemption Date	Not Applicable
Redemption Amount	Not Applicable
	In case of redemption due to exercise of call option or otherwise in accordance with RBI Basel III guidelines, the Bonds shall be redeemed at par along with interest accrued till one day prior to the Call Option Date subject to adjustments and/or write-off on account of "Loss Absorbency" as mentioned in this Summary Term Sheet
Premium/Discount on redemption	Not Applicable
Convertibility	Non-Convertible
Issue Price	At par (Rs.10 lacs per Bond)
Discount or premium on Issue	Not Applicable
Put Option	Not Applicable
Put Option Date	Not Applicable
Put Option Price	Not Applicable
Put Notification Time	Not Applicable
Condition for exercise of Call Option	<p>Issuer may exercise Call Option subject to the conditions mentioned below:</p> <ol style="list-style-type: none"> i. The call option can be exercised only after a minimum of 5 years from the Deemed Date of Allotment; ii. To exercise a call option the Bank shall require prior approval of RBI; and iii. Bank shall not exercise a call unless: <ol style="list-style-type: none"> a) The Bond is replaced with capital of the same or better quality and the replacement of this capital is done at conditions which are sustainable for the income capacity of the bank; or b) The Bank demonstrates that its capital position is well above the minimum capital requirements after the call option is exercised
Issuer Call	The Issuer may, at its sole discretion but subject to the "Condition for exercise of Call Option", elect to exercise a call on the Bonds

	(in whole), having notified the Trustee not less than 21 calendar days prior to the date of exercise of such Issuer Call (which notice shall specify the date fixed for exercise of the Issuer Call (the "Issuer Call Date").
Tax Call	<p>If a Tax Event (as described below) has occurred and continuing, then the Issuer may subject to paragraphs (a) and (b) of "Condition for Exercise of Call Option", having notified the Trustee not less than 21 calendar days prior to the date of exercise of such call ("Tax Call") which notice shall specify the date fixed for exercise of the Tax Call ("Tax Call Date"), exercise a call on the Bonds or substitute the Bonds so that the Bonds have better tax classification subject to adjustment on account of "Loss Absorbency", "Permanent principal write-down on PONV Trigger Event" mentioned in this Term Sheet.</p> <p>A Tax Event has occurred if, as a result of any change in, or amendment to, the laws affecting taxation (or regulations or rulings promulgated thereunder) of India or any change in the official application of such laws, regulations or rulings the Issuer will no longer be entitled to claim a deduction in respect of computing its taxation liabilities with respect to Coupon on the Bonds.</p> <p>The exercise of Tax Call by the Issuer is subject to the requirements set out in the Basel III Guidelines. RBI will permit the Issuer to exercise the Tax Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Tax Event at the time of issuance of the Bond</p>
Regulatory Call	<p>If a Regulatory Event (described below) has occurred and continuing, then the Issuer may subject to paragraphs (a) and (b) of "Condition for Exercise of Call Option", having notified the Trustee not less than 21 calendar days prior to the date of exercise of such call ("Regulatory Call") which notice shall specify the date fixed for exercise of the Regulatory Call (the "Regulatory Call Date"), exercise a call on the Bonds or substitute the Bonds so that the Bonds have better regulatory classification subject to adjustment on account of "Loss Absorbency", "Permanent principal write-down on PONV Trigger Event" mentioned in this Term Sheet.</p> <p>A Regulatory Event is deemed to have occurred if there is a downgrade of the Bonds in regulatory classification i.e. Bonds is excluded from the Consolidated Tier I Capital of the Issuer.</p> <p>The exercise of Regulatory Call by the Issuer is subject to requirements set out in the Basel III Guidelines. RBI will permit the Issuer to exercise the Regulatory Call only if the RBI is convinced that the Issuer was not in a position to anticipate the Regulatory Event at the time of issuance of the Bonds and if the Bank demonstrates to the satisfaction of RBI that the Bank's capital position is well above the minimum capital requirements after the Call Option is exercised.</p>
Call Option Date	<p>On the fifth anniversary from the Deemed Date of Allotment or any anniversary date thereafter, with prior RBI approval, subject to Tax Call / Regulatory Call.</p> <p>In case of Tax Call or Regulatory Call, the date may be as specified in the notice to Trustee</p>
Call Option Price	At par, along with interest accrued till one day prior to the Call Option Date subject to adjustments and/ or write-off on account of "Coupon Discretion", and "Loss Absorbency" mentioned in this Summary Term Sheet.
Call Notification Time to the Bondholders	21 calendar days prior to the date of exercise of Call option, i.e. Issuer Call, Tax Call or Regulatory Call.
Face Value	Rs. 10 Lacs per Bond
Minimum Application and in multiples of Bonds thereafter	10 Bonds and in multiples of 10 Bonds thereafter (i.e. minimum allotment of Rs.1 Crore and in multiples of Rs 1 Crore thereafter)

Trading Lot Size	The minimum trading lot size shall be as required under SEBI circular SEBI/HO/DDHS/CIR/P/2020/199 dated 6 th October 2020 as amended from time to time.
Issue Opening Date	21.01.2021 (Thursday)
Issue Closing Date	21.01.2021 (Thursday)
Pay-in Date	22.01.2021 (Friday)
Deemed Date of Allotment	22.01.2021 (Friday)
Issuance mode	In Demat mode only
Trading Mode	In Demat mode only
Settlement	Payment of interest and repayment of principal shall be made by way of credit through direct credit/ National Electronic Clearing Service/ RTGS/ NEFT mechanism or any other permitted method at the discretion of the Issuer
Settlement Cycle for EBP	T+1 (issuance)
Depository	National Securities Depository Limited and Central Depository Services (India) Limited
Record Date	15 calendar days prior to each Coupon Payment Date / Call Option Date or the Redemption Date (as the case may be). In the event the Record Date for coupon payment falls on a day which is not a Business Day, the succeeding Business Day will be considered as Record Date. In the event the Record Date for principal repayment falls on day which is not a Business Day, the immediately preceding Business Day shall be considered as the Record Date.
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum	Unsecured
Transaction documents	The Bank has executed/ shall execute the documents including but not limited to the following in connection with the Issue: <ol style="list-style-type: none"> 1. Debenture Trusteeship Agreement/Debenture Trust Deed 2. Rating Letter from India Ratings & Research Private Ltd and Brickwork Ratings India Private Ltd 3. Application made to BSE for seeking its in-principle approval for listing of Bonds 4. Listing Agreement with BSE 5. Tripartite agreement between the Issuer, Registrar and NSDL for issue of Bonds in dematerialized form; 6. Tripartite agreement between the Issuer, Registrar and CDSL for issue of Bonds in dematerialized form; 7. Letter appointing Alankit Assignments Ltd as Registrar and agreement entered into between the Issuer and the Registrar. 8. The disclosure document and application form
Conditions precedent to subscription of Bonds	The subscription from applicants shall be accepted for allocation and allotment by the Bank, subject to the following: <ol style="list-style-type: none"> a) Rating Letter from India Ratings & Research Private Ltd and Brickwork Ratings India Private Ltd is not more than one month old from the Issue Opening Date; and b) Consent Letter from the Trustee to act as Trustee to the Bondholder(s); c) Consent letter from the Registrar to act as a Registrar to the Issue d) Letter to BSE for seeking its In-principle approval for listing and trading of Bonds.

Conditions subsequent to subscription of Bonds	<p>The Bank shall ensure that the following documents are executed/ activities are completed as per terms of this Disclosure Document:</p> <ol style="list-style-type: none"> a) Credit of Demat Account(s) of the Allottee(s) by number of Bonds allotted within 2 Business days from the Deemed Date of Allotment; b) The Issuer shall make listing application to BSE and shall seek listing permission within 4 Business days of the closure of the Issue.
Events of Default	<p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (coupon or principal) except in bankruptcy and liquidation of the Issuer. It is further clarified that cancellation of discretionary payments or any exercise of Coupon Discretion, Write-down on PONV Trigger Event, Loss Absorbency and Other Events shall not be deemed to be an event of default.</p> <p>The Issuer or the Debenture Trustee may call for meeting of Bondholders as per the terms of the Debenture Trust Deed (to be executed). E-voting facility may be provided, if applicable subject to compliance with regulatory guidelines. In case of any decision that requires a special resolution at a meeting of the Bondholders duly convened and held in accordance with provisions contained in Debenture Trust Deed (to be executed) and applicable law, the decision shall be passed by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is demanded or e-voting facility is used, by a majority representing not less than three-fourths in value of the votes cast on such poll. Notwithstanding anything contained above, if any regulations/ circular/ guidelines issued by SEBI/RBI or any other relevant regulator require the voting to be held in a particular manner, the provisions contained in such regulations/ circular/ guidelines shall prevail. The Debenture Trust Deed (to be executed) shall contain the provisions for the meetings of the Bondholders and manner of voting. Subject to applicable law and regulatory guidelines, a meeting of the Bondholders, may consider the proposal for joining the inter creditor agreement, if applicable, and the conditions for joining such inter creditor agreement, if applicable, will be made part of the meeting agenda and the Trustee will follow the process laid down vide SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020.</p>
Creation of Recovery Expense Fund	<p>The Issuer has created a recovery expense fund with the Designated Stock Exchange, in the manner as specified by the SEBI pursuant to circular number SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, as amended from time to time, and have informed the Debenture Trustee about the same.</p>
Trustee	<p>SBICAP Trustee Company Limited</p>
Role and Responsibilities of Trustee to the Issue	<p>The Trustee shall perform its duties and obligations and exercise its rights and discretions, in keeping with the trust reposed in the Trustee by the holder(s) of the Bonds and shall further conduct itself, and comply with the provisions of all applicable laws, provided that, the provisions of Section 20 of the Indian Trusts Act, 1882, shall not be applicable to the Trustee. The Trustee shall carry out its duties and perform its functions as required to discharge its obligations under the terms of the, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, the Debenture Trusteeship Agreement, Disclosure Document and all other related Transaction Documents, with due care, diligence and loyalty</p>
Risk Factors pertaining to the Issue	<p>The Bonds issued are subject to the provisions of "Loss Absorbency" and other terms mentioned in this Summary Term Sheet and the Disclosure Document</p> <p>Please refer to the section on Risk Factors of the Disclosure Document for risk related to this issue of Bonds</p>

Registrar	Alankit Assignments Ltd
Treatment in Winding-up/Bankruptcy/ Liquidation/Insolvency	<p>The Bond will not contribute to liabilities exceeding assets of the Bank if such a balance sheet forms part of a requirement to prove insolvency under any law or otherwise</p> <p>(a) If the Issuer goes into liquidation before the Bonds have been written-down, these Bonds will absorb losses in accordance with the order of seniority indicated in this Term Sheet and as per the usual legal provisions governing priority of charges.</p> <p>(b) If the Issuer goes into liquidation after the Bonds have been written-down, the holders of these Bonds will have no claim on the proceeds of liquidation.</p> <p>The Bondholders shall have no rights to accelerate the repayment of future scheduled payments (Coupon or principal) except in bankruptcy and liquidation of the Issuer.</p>
Prohibition on Purchase / Funding of Bonds	Neither the Bank nor any related party over which the Bank exercises control or significant influence (as defined under relevant Accounting Standards) shall purchase the Bonds, nor shall the Bank directly or indirectly fund the purchase of the Bonds. The Bank shall also not grant advances against the security of the Bonds issued by it
Cross Default	Not Applicable
Coupon Discretion	<p>i. The Bank shall have full discretion at all times to cancel Coupon either in part or full in order to meet the eligibility criteria for perpetual debt instruments under Basel III Guidelines. On cancellation of payment of Coupon, these payments shall be extinguished, and the Bank shall have no obligation to make any distribution/Coupon payment in cash or kind.</p> <p>ii. The Bonds do not carry a 'dividend pusher' feature i.e. if the Bank makes any payment (coupon/dividend) on any other capital instrument or share, the Bank shall not be obligated to make Coupon payment on the Bonds;</p> <p>iii. Cancellation of Coupon shall not be an event of default.</p> <p>iv. Bank shall have full access to cancelled Coupon to meet obligations as they fall due.</p> <p>v. Cancellation of Coupon shall not impose any restrictions on the bank except in relation to distributions to common stakeholders.</p> <p>vi. Coupons, unless cancelled by the Bank, shall be paid out of distributable items. In this context, Coupon may be paid out of current year profits. However, if current year profits are not sufficient, Coupon may be paid subject to availability of:</p> <p>a. Profits brought forward from previous years, and/or</p> <p>b. Reserves representing appropriation of net profits, including statutory reserves, and excluding share premium, revaluation reserve, foreign currency translation reserve, investment reserve and reserves created on amalgamation.</p> <p>The accumulated losses and deferred revenue expenditure, if any, shall be netted off from (a) and (b) to arrive at the available balances for payment of Coupon.</p> <p>If the aggregate of: (i) profits in the current year; (ii) profits brought forward from the previous years and (iii) permissible reserves as at (b) above, excluding statutory reserves, net of accumulated losses and deferred revenue expenditure are less than the amount of</p>

	<p>coupon, only then the Bank shall make appropriation from the statutory reserves. In such cases, banks shall report to the Reserve Bank within twenty-one days from the date of such appropriation in compliance with Section 17(2) of the Banking Regulation Act 1949.</p> <p>However, payment of Coupons on the Bonds from the reserves is subject to the Bank meeting minimum regulatory requirements for Common Equity Tier 1, Tier 1 and Total Capital ratios including the additional capital requirements for Domestic Systemically Important Banks at all times and subject to the restrictions under the capital buffer frameworks (i.e. capital conservation buffer and counter cyclical capital buffer in terms of paragraphs 15 and 17 respectively of the Basel III Guidelines)</p> <p>vii. Coupon on the Bonds will be non-cumulative. If Coupon is cancelled or not paid or paid at a rate lesser than the Coupon Rate, such unpaid and/or cancelled Coupon will not be paid in future years. Non-payment of Coupon will not constitute an Event of Default in respect of the Bonds</p> <p>viii. In the event that the Issuer determines that it shall not make a payment of Coupon on the Bonds, the Issuer shall notify the Trustee not less than 21 calendar days prior to the relevant Coupon Payment Date of that fact and of the amount that shall not be paid.</p>
<p>Dividend Stopper</p>	<p>Dividend Stopper Clause will be applicable to these Bonds and it will stop dividend payments on common shares in the event the holders of these Bonds are not paid Coupon.</p> <p>In the event the holders of these Bonds are not paid Coupon, it shall not impede the full discretion that Issuer has at all times to cancel distributions/payments on the Bonds, nor will they impede / hinder:</p> <ol style="list-style-type: none"> The Re-Capitalization of the Issuer The Issuer's right to make payments on other instruments, where the payments on this other instrument were not also fully discretionary The Issuer's right to making distributions to shareholders for a period that extends beyond the point in time that Coupon /dividends on the Bonds are resumed The normal operation of the Issuer or any restructuring activity (including acquisitions/ disposals)
<p>Loss Absorption Features</p>	<p>a. The Bonds may be classified as liabilities for accounting purposes. The Bonds (including all claims, demands on the Bonds and interest thereon, whether accrued or contingent) are issued subject to loss absorbency features applicable for non-equity capital instruments issued in terms of Basel III Guidelines including in compliance with the requirements of Annex 4 thereof and are subject to certain loss absorbency features as described herein and required of Additional Tier 1 instruments at Pre-Specified Trigger Level and at the Point of Non Viability as provided for in Annex 16 of the aforesaid circular.</p> <p>b. Accordingly, the Bonds and any claims or demands of any Bondholder or any other person claiming for or on behalf of or through such Bondholder, against the Bank, may be written-down (temporary or permanent), in whole or in part, upon the occurrence of the following trigger events: (i) Prespecified Trigger Level (ii) Point of Non-Viability (PONV)</p>
<p>Loss Absorption at Prespecified Trigger Level</p>	<p>If the CET1 of the Bank falls below 5.50% of RWA before April 01, 2021 and if CET1 falls below 6.125% of RWA from April 01, 2021, each of the trigger level referred to herein above is called as "Pre specified Trigger Level".</p> <p>These instruments have principal loss absorption at an objective</p>

	<p>pre-specified trigger point through a write-down mechanism which allocates losses to the instrument.</p> <p>A write-off of the Bonds may have the following effects:</p> <ol style="list-style-type: none"> i. reduce the claim of the Bond (up to nil) in liquidation; ii. reduce the amount to be re-paid on the Bond when call is exercised (up to nil); iii. partially or fully reduce Coupon payments on the Bond <p>In relation to Loss Absorption at Pre-Specified Trigger Level, the following may be noted:</p> <ol style="list-style-type: none"> a) The write-down of any Common Equity Tier 1 capital shall not be required before a write-down of any AT1 Instrument (including the Bonds). b) The aggregate amount to be written-down for all AT1 Instruments on breaching the Pre-Specified Trigger Level must be at least the amount needed to immediately return the Bank's CET1 ratio to the trigger level (i.e. CET1 from write-down generated under applicable Indian Accounting Standards or RBI Instructions net of contingent liabilities recognized under the Indian Accounting Standards, potential tax liabilities etc., if any) or, if this is not possible, the full principal value of the instruments. c) Further, the Bank shall have full discretion to determine the amount of AT1 Instruments (including the Bonds) to be written down subject to the amount of write-down not exceeding the amount which would be required to bring the CET1 ratio to 8% of RWAs (minimum CET1 of 5.5% + capital conservation buffer of 2.5%). d) When the Bank breaches a Pre-Specified Trigger Level of Loss Absorbency of AT1 and the equity is replenished through write-down, such replenished amount of equity will be excluded from the total equity of the Bank for the purpose of determining the proportion of earnings to be paid out as dividend in terms of rules laid down for maintaining capital conservation buffer. However, once the Bank has attained total common equity ratio of 8% without counting the replenished equity capital that point onwards, the Bank may include the replenished equity capital for all purposes. e) The Bank shall have the discretion to write-down the Bonds more than once in case the Bank hits Pre-Specified Trigger Level subsequent to the first write-down which was partial. f) The Bonds which have been written down can be written up (partially or full) at the absolute discretion of the Bank and subject to compliance with RBI instructions (including permission, consent if any).
<p>Loss Absorption at the Point of Non-Viability (PONV)</p>	<ol style="list-style-type: none"> a) At the option of the RBI, the Bonds may be written off upon occurrence of a trigger event ("Point of Non-Viability (PONV) Trigger" or PONV Trigger). PONV trigger event shall be as defined in the aforesaid Basel III Guidelines and shall be determined by the RBI. b) As per the extant Basel III Regulations, the PONV Trigger shall be the earlier of: <ol style="list-style-type: none"> (i) a decision that a full and permanent write-off, without which the Bank would become non-viable, is necessary, as determined by the RBI; and (ii) the decision to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the relevant authority. c) RBI may in its imminence alter or modify the PONV trigger whether generally or in relation to the Bank or otherwise.

d) The amount of non equity capital to be written off will be determined by RBI.

e) The Write-off of any common Equity Tier 1 capital shall not be required before the write-off of any non equity (Additional Tier 1 and Tier 2) regulatory capital instruments. The order of write-off of the bonds shall be as specified in the order of seniority as per the Disclosure document and any other regulatory norms as may be stipulated by the RBI from time to time.

f) The Bonds can be written off in case the Bank hits the PONV trigger. The Bonds which have been written off shall not be written up.

g) For these purposes, the Bank may be considered as non-viable if: The Bank which, owing to its financial and other difficulties, may no longer remain a going concern on its own in the opinion of the RBI unless appropriate measures are taken to revive its operations and thus, enable it to continue as a going concern. The difficulties faced by the Bank should be such that these are likely to result in financial losses and raising the Common Equity Tier 1 capital of the Bank should be considered as the most appropriate way to prevent the Bank from turning non-viable. Such measures would include write-off of the Bonds, with or without other measures as considered appropriate by the Reserve Bank. In rare situations, the Bank may also become non-viable due to non financial problems, such as conduct of affairs of the bank in a manner which is detrimental to the interest of depositors, serious corporate governance issues, etc. In such situations raising capital is not considered a part of the solution and therefore, may not attract provisions of RBI Regulations.

g) In relation to Loss Absorption at PONV Trigger, the following may be noted:

a) Following writing-off of the Bonds and claims and demands as noted above neither the Bank, nor any other person on the Bank's behalf shall be required to compensate or provide any relief, whether absolutely or contingently, to the Bondholder or any other person claiming for or on behalf of or through such holder and all claims and demands of such persons, whether under law, contract or equity, shall stand permanently and irrevocably extinguished and terminated.

b) Unless otherwise specified in this Disclosure Document, the write-off of any common equity or any other regulatory capital (as understood in terms of the aforesaid circular or any replacement/amendment thereof), whether senior or pari passu or subordinate, and whether an Additional Tier 1 capital or otherwise shall not be required before the write-off of any of the Bonds and there is no right available to the Bondholder hereof or any other such person claiming for or on behalf of or through such holder to demand or seek that any other regulatory capital be subject to prior or simultaneous write-off or that the treatment offered to holders of such other regulatory capital be also offered to the Bondholders.

c) Such a decision would invariably imply that the writeoff consequent upon the trigger event shall occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted. As such, the contractual terms and conditions of the Bonds do not provide for any residual claims on the Bank which are senior to ordinary shares of the Bank (or banking group entity where applicable), following a trigger event and when write-off is undertaken.

	<p>h) The Bank facing financial difficulties and approaching a PONV will be deemed to achieve viability if within a reasonable time in the opinion of the RBI, it will be able to come out of the present difficulties if appropriate measures are taken to revive it. The measures including augmentation of equity capital through write-off/ public sector injection of funds are likely to:</p> <ul style="list-style-type: none"> a) Restore depositors'/ investors' confidence; b) Improve rating/ creditworthiness of the Bank and thereby improve its borrowing capacity and liquidity and reduce cost of funds; and c) Augment the resource base to fund balance sheet growth in the case of fresh injection of funds. <p>i) A Trigger at PONV will be evaluated both at consolidated and solo level and breach at either level will trigger write off.</p>
<p>Criteria to determine PONV</p>	<p>a. The above framework under RBI Regulations shall be invoked when the Bank is adjudged by the RBI to be approaching the point of non-viability, or has already reached the point of non-viability, but in the views of RBI:</p> <ul style="list-style-type: none"> (i) there is a possibility that a timely intervention in form of capital support, with or without other supporting interventions, is likely to rescue the Bank; and (ii) if left unattended, the weaknesses would inflict financial losses on the Bank and, thus, cause decline in its common equity level. <p>b. The purpose of write-off of non-equity regulatory capital elements will be to shore up the capital level of the Bank. RBI shall follow a two-stage approach to determine the non-viability of the Bank. The Stage 1 assessment would consist of purely objective and quantifiable criteria to indicate that there is a prima facie case of the Bank approaching non-viability and, therefore, a closer examination of the Bank's financial situation is warranted. The Stage 2 assessment would consist of supplementary subjective criteria which, in conjunction with the Stage 1 information, would help in determining whether the Bank is about to become non-viable. These criteria would be evaluated together and not in isolation.</p> <p>Once the PONV is confirmed, the next step would be to decide whether rescue of the Bank would be through write-off alone or in conjunction with a public sector injection of funds.</p>
<p>Treatment of AT1 Instruments in the event of Winding-Up, Amalgamation, Acquisition, Reconstitution etc. of the Bank</p>	<p>a. If the Bank goes into liquidation before the AT1 instruments have been written-down, these instruments shall absorb losses in accordance with the order of seniority indicated in the Disclosure Document and as per usual legal provisions governing priority of charges.</p> <p>b. If the Bank goes into liquidation after the AT1 instruments have been written-down, the holders of these instruments shall have no claim on the proceeds of liquidation.</p> <p>c. Amalgamation of a banking company: (Section 44 A of BR Act, 1949)</p> <ul style="list-style-type: none"> (i) If the Bank is amalgamated with any other bank before the AT1 instruments have been written-down, these instruments will become part of the corresponding categories of regulatory capital of the new bank emerging after the merger. (ii) If the Bank is amalgamated with any other bank after the AT1 instruments have been written-down temporarily, the amalgamated entity can write-up these instruments as per its discretion. (iii) If the Bank is amalgamated with any other bank after the non-equity regulatory capital instruments have been

	<p>written-down permanently, these cannot be written-up by the amalgamated entity.</p> <p>d. Scheme of reconstitution or amalgamation of a banking company: (Section 45 of BR Act, 1949)</p> <p>If the relevant authorities decide to reconstitute a bank or amalgamate a bank with any other bank under the Section 45 of BR Act, 1949, such a bank will be deemed as non-viable or approaching non-viability and both the pre-specified trigger and the trigger at the point of nonviability for conversion/ write-down of AT1 instruments will be activated. Accordingly, the AT1 instruments will be fully written-down permanently before amalgamation/ reconstitution in accordance with these rules.</p>
<p>Order of write-down of various types of AT1 Instruments at the event of gone concern situation</p>	<p>The order of claims/ write-down of various types of regulatory capital instruments issued by the Bank or may be issued by the Bank in future shall be in accordance with the order of seniority and as per usual legal provisions governing priority of charges. The claims of Bondholders (investors in Perpetual Debt Instruments for inclusion as Additional Tier 1 Capital) shall be:</p> <p>a) superior to the claims of investors in equity/ common shares, perpetual non-cumulative preference shares and other regulatory capital instruments eligible for inclusion in Tier 1 capital of the Bank. However, claims of Perpetual Debt Instruments eligible for inclusion in Additional Tier 1 capital shall be on paripassu basis amongst themselves irrespective of the date, amount or terms of issue;</p> <p>b) subordinated to the claims of (i) all depositors; (ii) general creditors; (iii) subordinated debt other than subordinated debt qualifying as Additional Tier 1 capital; (iv) subordinated debt eligible for inclusion in hybrid Tier 1 capital under the then prevailing Basel II guidelines (to the extent permitted under the RBI guidelines); (v) Debt Capital Instruments eligible for inclusion in Tier 2 capital issued and to be issued in future by the Bank; (vi) perpetual cumulative preference shares; (vii) redeemable non-cumulative preference shares; (viii) redeemable cumulative preference shares eligible for inclusion in Tier 2 capital issued and to be issued in future by the Bank;</p> <p>c) neither secured nor covered by a guarantee of the Bank or its related entity or any other arrangement that legally or economically enhances the seniority of the claims of Bondholders vis-à-vis creditors of the Bank;</p> <p>d) Claims of holders of perpetual non-cumulative preference shares shall be superior to the claims of holders of equity/ common shares; Notwithstanding anything to the contrary stipulated herein, the claims of the Bondholders shall be subject to the provisions of Coupon Discretion, Loss Absorbency and Other Events mentioned in this Disclosure Document.</p> <p>e) The Bonds shall not contribute to liabilities exceeding assets of the Bank if such a balance sheet test forms part of a requirement to prove insolvency under any law or otherwise.</p> <p>f) Once the Basel III Compliant Additional Tier 1 instruments are written-off, the Bondholders shall have no claim on the proceeds of liquidation.</p> <p>RBI has the absolute right, to direct the Bank to write down the entire value of the outstanding ATI instruments/bonds, if it thinks the Bank has passed the Point of Non-Viability (PONV), or requires a public sector capital infusion to remain a going concern</p>

<p>Order of claim of Additional Tier 1 instruments at the event of gone concern situation</p>	<p>The order of claim of various types of regulatory capital instruments issued by the Issuer and that may be issued in future shall be as under:</p> <p>Claim of the investors in this instrument will be superior to the claims of investors in equity shares and perpetual non-cumulative preference shares and subordinated to the claims of all depositors and general creditors & subordinated debt (other than subordinated debt qualifying as Additional Tier1 Capital) of the Issuer.</p> <p>Additional Tier 1 debt instruments will rank pari passu without preference amongst themselves and other debt instruments irrespective of the date of issue classifying as Additional Tier 1 Capital in terms of Basel III Guidelines. Unless the terms of any subsequent issuance of bonds/debentures by the Bank specifies that the claims of such subsequent bond holders are senior or subordinate to the Bonds issued under the Disclosure Document or unless the RBI specifies otherwise in its guidelines, the claims of the Bond holders shall be pari passu with claims of holders of other Additional Tier 1 instruments issued by the Bank.</p> <p>However, write down / claim of Additional Tier I debt instruments will be on pari-passu basis without preference amongst themselves and other debt instruments classifying as Additional Tier 1 Capital irrespective of the date of issue</p> <p>However, the claims of the Bondholders shall be subject to the provisions of Coupon Discretion and Loss Absorbency of this Summary Term Sheet.</p>
<p>Repurchase/Buy-Back/ Redemption</p>	<p>The Issuer may at any time, subject to the following conditions having been satisfied and such repayment being otherwise permitted by the then prevailing Basel III Guidelines, repay the principal amount of the Bonds by way of repurchase, buy-back or redemption:</p> <ol style="list-style-type: none"> a. the prior approval of RBI shall be obtained; b. the Issuer has not assumed or created any market expectations that RBI approval for such repurchase/redemption/buy-back shall be given; c. Issuer: <ol style="list-style-type: none"> i. replaces the Bond with capital of the same or better quality and the replacement of this Bond is done at conditions which are sustainable for the income capacity of the Issuer; or ii. demonstrates that its capital position is well above the minimum capital requirements after the repurchase / buy-back / redemption; d. any other pre-conditions specified in the Basel III Guidelines at such time have been satisfied. <p>Such Bonds may be held, reissued, resold, extinguished or surrendered, at the option of the Issuer</p>
<p>Re-capitalization</p>	<p>Nothing contained in this Disclosure Document or in any other Transaction Documents shall hinder re-capitalization by the Bank</p>
<p>Governing Law and Jurisdiction</p>	<p>The Bonds are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of Mumbai, Maharashtra</p>

Note: The Issuer reserves its sole and absolute right to modify (pre-pone/ postpone) the Issue schedule without giving any reasons or prior notice. In such a case, investors shall be intimated about the revised time schedule by the Issuer. The Issuer also reserves the right to keep multiple Deemed Date(s) of Allotment at its sole and absolute discretion without any notice. In case if the Issue Closing Date/ Pay in Date is/are changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Issuer at its sole and absolute discretion. Consequent to change in Deemed Date of Allotment, the Coupon Payment Dates and/or Redemption Date may also be changed at the sole and absolute discretion of the Issuer.

Disclosures pertaining to wilful default



- a) Name of the bank declaring the entity as a wilful defaulter: Not Applicable
- b) The year in which the entity is declared as a wilful defaulter: Not Applicable
- c) Outstanding amount when the entity is declared as a wilful defaulter: Not Applicable
- d) Name of the entity declared as a wilful defaulter: Not Applicable
- e) Steps taken, if any, for the removal from the list of wilful defaulters: Not Applicable
- f) Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions: Not Applicable
- g) Any other disclosure as specified by the Board: Not Applicable

XIX. ILLUSTRATION OF BOND CASH FLOWS

In pursuance of SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013 read with SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016, set forth below is an illustration for guidance in respect of the day count convention and effect of holidays on payments.

Illustration of Bond Cash Flow

Company	Punjab National Bank
Face Value (per security)	Rs.10,00,000
Deemed Date of Allotment	22.01.2021 (Friday)
Call Option Date	22.01.2026 (Thursday)
Coupon Rate	8.60 % p.a.
Frequency of the Interest Payment	Annual
Day Count Convention	Actual / Actual

Assuming Call Option at the end of the 5th anniversary of the Deemed Date of Allotment

Cash Flows	Coupon Payment Date	No. of Days in Coupon Period	Amount (in Rs)
1 st Coupon	Monday, 24 January 2022	365	86,000
2 nd Coupon	Monday, 23 January 2023	365	86,000
3 rd Coupon	Wednesday, 24 January 2024	366	86,000
4 th Coupon	Wednesday, 22 January 2025	365	86,000
5 th Coupon	Thursday, 22 January 2026	365	86,000
Redemption of principal on account of exercise of Call Option*	Thursday, 22 January 2026		10,00,000

*Subject to exercising call option

Assumption:

We have not considered the effect of public holidays as it is difficult to ascertain for future dates

In case of interest payment falling in Leap year, the interest payment(s) will be calculated by taking the number of days as 366 days for a whole one year period. (Actual/ Actual - as per SEBI Circular no CIR/IMD/DF/18/2013 dated 29th Oct 2013 read with SEBI Circular no CIR/IMD/DF-1/122/2016 dated November 11, 2016).

If the date of payment of interest happens to be non-Business Day, the interest payment will be made on the next Business Day.

If the maturity payment date and interest payment date falls together on a non-Business Day, redemption and accrued interest payment will be made on the previous working day.



The interest and/ or principal payment will be made on the best available information on non-Business Days and could further undergo change(s) in case of any scheduled and unscheduled holiday(s) and/or changes in money market settlement day conventions by the Reserve bank of India/ SEBI.

In case the Deemed Date of Allotment is revised (preponed/ postponed) then the Coupon Payment Dates may also be revised preponed/ postponed) accordingly by the Bank at its sole & absolute discretion

Payment of interest and repayment of principal shall be made by way of RTGS/ NEFT/ other mechanisms permitted under the SEBI Regulations.

XX. OTHER TERMS OF OFFER

1. AUTHORITY FOR THE ISSUE

The present issue of Bonds is being made pursuant to the resolution of the Board of Directors of the Bank, passed at its meeting held on 26.09.2019 and the delegation provided there under.

The present issue of Bonds is being made in pursuance of Circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 read with RBI circular DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 and RBI Circular DBR.BP.BC.NO.50/21.06.201/2016-17 dated February 2, 2017, each as amended from time to time issued by the Reserve Bank of India on Basel III Capital Regulations covering terms and conditions for issue of debt capital instruments for inclusion as Tier I capital

The Bonds offered are subject to the provisions of the Securities Contract Regulation Act, 1956, Banking Companies (Acquisition and Transfer of Undertakings) Act 1970, terms of this Disclosure Document, instructions contained in the application form and other terms and conditions as may be incorporated in the trustee agreement. Over and above such terms and conditions, the Bonds shall also be subject to applicable provisions of the Depositories Act 1996, and the laws as applicable, guidelines, notifications and regulations relating to the allotment and issue of capital and listing of securities issued from time to time by the Government of India, Reserve Bank of India, Securities and Exchange Board of India, concerned stock exchange, or any other authorities and other documents that may be executed in respect of the Bonds. Any disputes arising out of this issue will be subject to exclusive jurisdiction of the district courts of city of Mumbai

2. COMMON FORM OF TRANSFER

The Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Bank.

The Bank undertakes that it shall use a common form/ procedure for transfer of Bonds issued under terms of this Disclosure Document

3. TERMS AND CONDITIONS OF THE ISSUE

This is a confidential Disclosure Document setting out the terms and conditions pertaining to issue of Unsecured, subordinated, perpetual, non-convertible, taxable, Basel III compliant additional Tier 1 Bonds Series XII of face value Rs.10.00 lacs each (for cash at par) aggregating to total issue not exceeding Rs.1,000 crore, with a base issue size of Rs.300 crore and a green shoe option to retain oversubscription up to Rs.700 Crore (the "Issue") by Punjab National Bank. Your participation is subject to the completion and submission of Application Form along with application money and acceptance of the offer by the Bank.



4. TERMS OF PAYMENT

The full face value of the Bonds applied for is to be paid along with the Application Form. Investor(s) need to send in the Application Form and the cheque(s)/ NEFT/ RTGS for the full face value of the Bonds applied for.

Face Value Per Bond	Minimum Application for	Amount Payable on Application per Bond
Rs.10,00,000/- (Rupees Ten Lacs Only)	10 bonds and in multiples of 10 bonds thereafter	Rs.10,00,000/- (Rupees Ten Lacs Only)

5. DEEMED DATE OF ALLOTMENT

Interest on Bonds shall accrue to the Bond holder(s) from the Deemed Date of Allotment. All benefits relating to the Bonds will be available to the investors from the Deemed Date of Allotment. The actual allotment of Bonds may take place on a date other than the Deemed Date of Allotment. The Bank reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any notice. In case if the issue closing date is changed (preponed/ postponed), the Deemed Date of Allotment may also be changed (preponed/ postponed) by the Bank at its sole and absolute discretion

6. BASIS OF ALLOCATION / ALLOTMENT

The Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The application forms that are not complete in all respects are liable to be rejected and would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- Number of Bonds applied for is less than the minimum application size;
- Application money received not being from the bank account of the person/entity subscribing to the Bonds or from the bank account of the person/ entity whose name appears first in the Application Form, in case of joint holders;
- Bank account details of the Applicants not given;
- Details for issue of Bonds in dematerialized form not given;
- PAN/GIR and IT circle/Ward/District not given;
- In case of applications under power of attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any Bonds applied for is/ are not allotted in full, the excess application monies of such Bonds will be refunded, as may be permitted.

Allotment against valid applications for the Bonds will be made to applicants in accordance with applicable SEBI regulations, operational guidelines of the exchanges and all applicable laws. At its sole discretion, the Issuer shall decide the amount of over subscription to be retained over and above the Base Issue size.

The allotment of valid applications received on the EBP Platform shall be done on yield-time priority basis in the following manner:

- allotment would be done first on "yield priority" basis;
- where two or more bids are at the same yield, then the allotment shall be done on "time-priority" basis;
- where two or more bids have the same yield and time, then allotment shall be done on "pro rata" basis.

The basis of allotment shall be subject to SEBI Circular SEBI/HO/DDHS/CIR/P/2020/199 Dated October 06, 2020

In the event, if any Bonds applied for is/ are not allotted in full, the excess application monies of such Bonds will be refunded, as may be permitted.

7. MARKET LOT

The minimum market lot size shall be as required under SEBI circular SEBI/HO/DDHS/CIR/P/2020/199 dated 6th



October 2020 as amended from time to time. ("Market Lot"). Since the Bonds are being issued only in dematerialized form, the odd lots will not arise either at the time of issuance or at the time of transfer of Bonds.

8. TRADING OF BONDS

The marketable lot for the purpose of trading of Bonds shall be as required under SEBI circular SEBI/HO/DDHS/CIR/P/2020/199 dated 6th October 2020 as amended from time to time. Trading of Bonds would be permitted in demat mode only and such trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Bonds which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

9. EFFECT OF HOLIDAYS: - As per SEBI Circulars dated October 29, 2013 and November 11, 2016

If any Coupon Payment Date falls on a day that is not a Business Day ('Business Day' being a day on which Commercial Banks are open for Business in Mumbai), the payment shall be made by the Issuer on the next working Business Day. However, the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. In other words, the subsequent coupon schedule would not be disturbed merely because the payment date in respect of one particular coupon payment has been postponed earlier because of it having fallen on a holiday

10. REDEMPTION

The Bonds are perpetual hence non-redeemable

11. DEPOSITORY ARRANGEMENTS

The Bank has appointed **Alankit Assignments Ltd**, New Delhi as Registrars & Transfer Agent for the present bond issue. The Bank shall make necessary depository arrangements with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for issue and holding of Bond in dematerialized form. In this context the Bank shall sign two tripartite agreements as under:

- Tripartite Agreement between Issuer Bank, RTA and National Securities Depository Ltd. (NSDL) for offering depository option to the investors.
- Tripartite Agreement between Issuer Bank, RTA and Central Depository Services (I) Ltd. (CDSL) for offering depository option to the investors.

Investors can hold the Bonds only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

12. LIST OF BENEFICIAL OWNERS

The Bank shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount as the case may be.

13. LETTER OF ALLOTMENT AND BOND CERTIFICATE

The beneficiary account of the investor(s) with National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL)/ Depository Participant will be given initial credit within 2 Business days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Bond Certificate.

14. ISSUE OF BOND CERTIFICATE(S)

Subject to the completion of all statutory formalities within time frame prescribed in the relevant regulations/ act/ rules etc., the initial credit akin to a Letter of Allotment in the Beneficiary Account of the investor would be replaced with the number of Bonds allotted. The Bonds since issued in electronic (dematerialized) form, will be governed as per the provisions of The Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Bonds shall be allotted in dematerialized form only.



15. DISPATCH OF REFUND ORDERS

The Bank shall ensure dispatch of Refund Order(s) by Registered Post only and adequate funds for the purpose shall be made available to the Registrar to the Issue by the Issuer Bank.

16. SHARING OF INFORMATION

The Bank may, at its option, use on its own, as well as exchange, share or part with any financial or other information about the Bond holders available with the Bank, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Bank or its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

17. MODE OF TRANSFER OF BONDS

Bonds shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL/ CDSL/ Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Bonds held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Transfer of Bonds to and from NRIs/ OCBs, in case they seek to hold the Bonds and are eligible to do so, will be governed by the then prevailing guidelines of RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Bank.

18. FICTITIOUS APPLICATIONS

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name.*

Shall be liable for action under section 447."

19. FUTURE BORROWINGS

The Bank shall be entitled to borrow / raise loans or avail financial assistance in whatever form as also issue bond/debentures or other such instruments in any manner as senior or on pari passu basis or otherwise and to change its capital structure including issue of shares of any class or redemption or reduction of any class of paid up capital, on such terms and conditions as the issuer may think without the consent of, or intimation to, Bondholders and/or the Trustees in this connection.

In relation to the aforesaid, it is hereby clarified that such borrowing or raising of loans or availing of the financial assistance by the Bank may be on such terms and conditions as the Bank may deem fit, in accordance with applicable laws, and may be secured and/or unsecured, at the discretion of the Bank. It is further clarified that such borrowings may or may not be to enhance and/or to replace regulatory capital.

20. RIGHTS OF BOND HOLDER(S)

The Bond holders will not be entitled to any rights and privileges of shareholders other than those available to them under statutory requirements. The Bonds shall not confer upon the holders the right to receive notice, or to attend and vote at the general meetings of shareholders of the Bank. The principal amount and interest, if any, on the Bonds will be paid to the sole holder only, and in the case of joint holders, to the one whose name stands first in the Register of Bond holders. The Bonds shall be subject to other usual terms and conditions incorporated in the Bond certificate(s) that will be issued to the allottee (s) of such Bonds by the Bank and also in the Trustee

Agreement / Trust Deed.

21. MODIFICATION OF RIGHTS

The rights, privileges, terms and conditions attached to the Bonds may be varied, modified or abrogated with the consent, in writing, of those holders of the Bonds who hold at least three fourth of the outstanding amount of the Bonds or with the sanction accorded pursuant to a resolution passed at a meeting of the Bondholders, provided that nothing in such consent or resolution shall be operative against the Bank where such consent or resolution modifies or varies the terms and conditions of the Bonds, if the same are not acceptable to the Bank.

Further, the Bank shall be entitled (without obtaining a prior approval from Bondholders) to make any modifications in this Disclosure Document which in its opinion is of a formal, minor and technical nature or is to correct a manifest error.

22. BONDHOLDER NOT A SHAREHOLDER

The bondholders will not be entitled to any of the rights and privileges available to the shareholders. If, however, any resolution affecting the rights attached to the Bonds is placed before the members of the Bank, such resolution will first be placed before the bondholders through the Trustee for their consideration.

23. NOTICES

All notices required to be given by the Issuer or by the Trustee to the Bondholders shall be deemed to have been given if sent by ordinary post/ courier to the original sole/ first allottees of the Bonds and/ or if published in one All India English daily newspaper and one regional language newspaper.

All notices required to be given by the Bondholder(s), including notices referred to under "Payment of Interest" shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

24. ADDITIONAL COVENANTS

DELAY IN LISTING:

In case of delay in listing of securities issued on privately placement basis beyond the timelines specified in SEBI Circular dated October 05, 2020, the Issuer shall;

- pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing)
- be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchanges.

25. PAN/GIR NUMBER

All applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle/ Ward/ District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

26. TAX DEDUCTION AT SOURCE

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. Tax exemption certificate/ document, under Section 193 of the Income Tax Act, 1961, if any, must be lodged at the registered office of the Bank or at such other place as may be notified by the Bank in writing, at least 30 (thirty) calendar working days before the interest payment dates.

Tax exemption certificate/ declaration of non-deduction of tax at source on interest on application money, should be submitted along with the application form. Where any deduction of Income Tax is made at source, the bank shall send to the Bondholder(s) a Certificate of Tax Deduction at Source. Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

Tax Deducted at source will be paid to Income tax authorities on accrual or payment whichever is earlier basis

27. TAX BENEFITS TO THE BOND HOLDERS OF THE BANK

The holder(s) of the Bonds are advised to consider in their own case, the tax implications in respect of subscription to the Bonds after consulting their own tax advisor/ counsel.

28. SIGNATURES

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/ Notary Public under his/her official seal.

29. ACKNOWLEDGEMENTS

No separate receipts will be issued for the application money. However, the Issuer receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgement slip at the bottom of each Application Form.

30. THE DISCOUNT AT WHICH SUCH OFFER IS MADE AND THE EFFECTIVE PRICE FOR THE INVESTOR AS A RESULT OF SUCH DISCOUNT

The bonds are being issued at face value and not at discount to offer price.

31. RIGHT TO FURTHER ISSUE UNDER THE ISINs

The Issuer reserves right to effect multiple issuances under the same ISIN with reference to SEBI Circular CIR/IMD/DF-1/ 67 /2017 dated June 30, 2017 as amended ("First ISIN Circular") and SEBI Circular CIR/DDHS/P/59/2018 dated March 28, 2018, as amended or any other applicable laws or regulations from time to time ("Second ISIN Circular", together with the First ISIN Circular, the "ISIN Circulars").

The Issue can be made either by way of creation of a fresh ISIN or by way of issuance under the existing ISIN at premium, par or discount as the case may be in line with the ISIN Circulars.

32. RIGHT TO RE-PURCHASE, RE-ISSUE OR CONSOLIDATE THE BONDS

The Issuer will have power, exercisable at its sole and absolute discretion from time to time, to re-purchase a part or all of its Bonds from the secondary markets or otherwise, at any time prior to the Redemption Date, subject to applicable law and in accordance with the applicable guidelines or regulations, if any.

In the event of a part or all of the Issuer's Bonds being repurchased as aforesaid or redeemed under any circumstances whatsoever, the Issuer shall have, and shall be deemed always to have had, the power to re-issue the Bonds either by re-issuing the same Bonds or by issuing other debentures in their place. The Issuer shall have right to consolidate the Bonds under present series in accordance with applicable law.

Further the Issuer, in respect of such re-purchased or re-deemed Bonds shall have the power, exercisable either for a part or all of those Bonds, to cancel, keep alive, appoint nominee(s) to hold or re-issue at such price and on such terms and conditions as it may deem fit and as permitted under the ISIN Circulars or by laws or regulations.

33. UNDERWRITING

The present issue of Bonds is not underwritten

34. MINIMUM SUBSCRIPTION

As the current issue of Bonds is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Bank shall not be liable to refund the issue subscription(s)/proceed (s) in the event of the total issue collection falling short of the issue size or certain percentage of the issue size.

XXI. MATERIAL CONTRACTS & AGREEMENTS INVOLVING FINANCIAL OBLIGATIONS OF THE ISSUER



By very nature of its business, the Bank is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Bank. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Bank) which are or may be deemed to be material have been entered into by the Bank. Copies of these contracts together with the copies of documents referred to in Para B may be inspected at the Head Office of the Bank between 10.00 a.m. and 2.00 p.m. on any working day until the issue closing date.

A. MATERIAL CONTRACTS

- a. Letter appointing Registrars and Agreement entered into between the Bank and the Registrar.
- b. Letter appointing Trustee to the Bondholders.

B. DOCUMENTS

- a. Board resolution dated 26.09.2019 authorizing issue of Bonds offered under terms of this Disclosure Document
- b. Letter of consent from the SBICAP Trustee Company Limited for acting as trustee for and on behalf of the bond holder(s).
- c. Letter of consent from the Alankit Assignments Limited for acting as Registrars to the Issue.
- d. In-principle Approval for listing of Bonds by BSE
- e. Letter from India Ratings & Research Limited and Brickwork Ratings India Private Ltd conveying the credit rating for the Bonds.
- f. Tripartite Agreement between the Bank, NSDL and Registrars for issue of Bonds dematerialized form.
- g. Tripartite Agreement between the Bank, CDSL and Registrars for issue of Bonds dematerialized form.

XXII. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS- NOT APPLICABLE

XXIII. DECLARATION

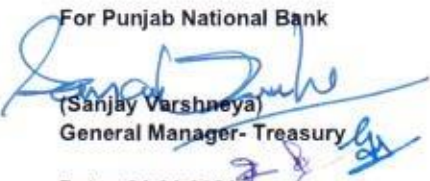
The Bank undertakes that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India Circular on Issues pertaining to primary issuance of debt securities issued vide circular no. CIR/IMD/DF/18/2013 Dated October 29, 2013 read with SEBI Circular no CIR/IMD/DF-1/122/2016 dated November 11, 2016, SEBI/HO/DDHS/CIR/P/2018/05 dated January 05, 2018 and SEBI circular SEBI/HO/DDHS/CIR/P/2018/122 dated August 16, 2018 as amended from time to time and SEBI/HO/DDHS/CIR/P/2020/199 dated October 06, 2020, Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements), Regulations 2015, SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 and RBI circular DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 read with RBI circular DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 and RBI Circular DBR.BP.BC.NO.50/21.06.201/2016-17 dated February 2, 2017, each as amended from time to time.

The Bank also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Bank accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Bank and that anyone placing reliance on any other source of information would be doing so at his own risk.

Signed pursuant to internal authority being granted

For Punjab National Bank


(Sanjay Varshneya)
General Manager- Treasury

Date : 21.01.2021

Place : Mumbai





ANNEXURE – A

India Ratings & Research
A Fitch Group Company

FitchGroup

Mr. Sangeet Vardhana
General Manager
Punjab National Bank
Plot C-9, Block-G
Bandra-Kurla Complex
Mumbai - 400071

January 05, 2023

Dear Mr. Madhoo,

Re: Rating of Punjab National Bank Instruments

India Ratings and Research (Ind-Ra) is pleased to communicate the rating of Punjab National Bank:

INR 52,500 Crores of Additional Tier 1 Bonds (IND AA+ Stable)

Out of the above the bank has utilized INR 32,500 Crores of Additional Tier 1 Bonds.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

The nature of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management and its advisors, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or to the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisors are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports, in issuing its ratings. India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further ratings are inherently forward-looking and involve assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action communication. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual or group of individuals is solely responsible for a rating. All India Ratings reports bear official authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

India Ratings & Research Private Limited - A Fitch Group Company
Worldwide Tower, Level 4, 360 Wing, Bandra Kurla Complex, Bandra (E), Mumbai - 400071
Tel: +91 22 4000 1740 | Fax: +91 22 4000 1752 | CN/LLRN/06730696399702340009 | www.indiaratings.com





India Ratings
& Research
A Fitch India Company

FitchGroup

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security, or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt status or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or substantial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings ratings to be important information, and India Ratings notes that you are responsible for comprehending the contents of this letter and any changes with respect to the rating, its issuance.

It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reasons India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "India Ratings" means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact the undersigned at +91 22 4008 1700.

Sincerely,

India Ratings

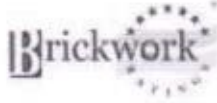
Prakash Agarwal
Prakash Agarwal
Director

J Z H
Jinal Zaverchand Horia
Director

People/Finance/India

05-January-2021





Brickwork Ratings India Pvt. Ltd.
 Ground floor, Building No - 5 14, Software
 Corporate Park, Guru Hargovindji Marg,
 Chakala, Andheri (East), Mumbai - 400 093
 P: +91 22 2831 1426/39 | F: +91 22 2838 9144

BWR/NCD/MUM/CRC/ANP/0499/2020-21

6 January 2021

The General Manager - Treasury division,
Punjab National Bank
 Pragati Towers, C 9, G-block 6th Floor,
 Bandra Kurla Complex, Mumbai 400 051

Dear Sir,

Sub: Validation of ratings - Additional Tier I Bonds (Basel III) issue of Punjab National Bank aggregating to **Rs. 6750 Crores (Rs. Six Thousand Seven Hundred Fifty Crores Only).**

Ref: Email request dated 04 Jan 2021 and BWR Rating letter **BWR/NCD/CRC/VYD/0376/2020-21** dated 30 Oct 2020

We hereby confirm the validity of ratings and list of outstanding ratings of NCD issues rated by Brickwork Ratings along with their respective validity dates as per the table below:

Instruments	Amount Rated (Rs. Crs)	Tenure	Last Rating/Review date	Outstanding Rating	Validity Date
Additional Tier I Bonds (Basel III)	6750	Long Term	30 Oct 2020	BWR AA Stable	28 Oct 2021
Total	6750	Rs. Six Thousand Seven Hundred Fifty Crores Only			

*For definition of the ratings please refer to our website www.brickworkratings.com

Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligation. Such instruments carry very low credit risk.

Please note that all terms and conditions of our letter **BWR/NCD/CRC/VYD/0376/2020-21** dated 30 Oct 2020 remain unchanged.

On completion of borrowing, please furnish details of security and other aspects related to the borrowing.

You are also requested to provide a non-default declaration on a monthly basis.

Best Regards,

Anil Patwardhan
 Senior Director - Ratings

Ahmedabad • Bengaluru • Chandigarh • Chennai • Hyderabad • Kolkata • Mumbai • New Delhi
info@brickworkratings.com | www.brickworkratings.com | CIN: U67190KA2007PTC043591





ANNEXURE – B



SBICAP Trustee Company Ltd.

Ref No. 2020-2021/
Date: 22nd October, 2020

Punjab National Bank
Plot No. C9, G – Block,
Bandra Kurla Complex,
Mumbai – 400 051

Issue of Basel III compliant Tier I bonds upto maximum Rs.3,000 crores on Private placement basis by Punjab National Bank

We, the undersigned, do hereby consent to act as a Debenture Trustee to the Issu and to our name being inserted as the Debenture Trustee to the Issu in the 'Offer document/Private placement offer letter' to be filed by the Company with the Indian stock exchanges where the Debentures are proposed to be listed (the "Stock Exchanges") and any other documents intended to be filed with Stock Exchanges, SEBI and other regulatory or statutory authority in respect of the Issu. The following details with respect to us may be disclosed:

Name : SBICAP Trustee Company Limited
Address : Apeejay House, 6th floor
3, Dinkar Wadhwa Road, Churchgate,
Mumbai 400 020.
Telephone No. : 022-43021553
Fax No. : 022- 22640465
E-mail : corporate@sbicaptrustee.com
Investor Grievance e-mail : investor.cell@sbicaptrustee.com
Website : www.sbicaptrustee.com
Contact Person : Ms. Ananya Naidu (Company Secretary & Compliance Officer)
Tel No. 022- 43021503
SEBI Registration No. : DND000000536

We confirm that we are registered with SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate. We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues. We further confirm that no enquiry/investigation is being conducted by SEBI on us.

We further confirm that we have not received any communication from SEBI prohibiting us from acting as the intermediary.

We confirm that we will immediately inform the Company of any change, additions or deletions in respect of the matters covered in this certificate till the date when the Debentures offered, issued and allotted pursuant to the Issu, are admitted for trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the listing and trading of Debentures on the Stock Exchanges.

We hereby authorize you to deliver this letter of consent to the Stock Exchanges and any other regulatory or statutory authority as required.

Sincerely,

For SBICAP Trustee Company Ltd.

Validity unknown

Digitally signed by
ARDHENDU MUKHOPADHYAY
Thu Oct 22 17:30:54 IST 2020

Ardhendu Mukhopadhyay
Sr. Manager – Marketing & Operations

www.sbicaptrustee.com

+91 22 4302 1556
+91 22 4302 5515

Corporate Office:
Mistry Bhawan, 4th Floor,
122, Dinkar Wadhwa

Registered Office:
202, Market Tower E,
Cuffe Parade, Mumbai – 400 036.





ANNEXURE - C



Alankit ASSIGNMENTS LIMITED

22nd October 2020

To
Punjab National Bank
Treasury Division, PNB Pragati Tower,
C-9, G Block, Bandra Kurla Complex,
Mumbai - 400051

Dear Sir,

SUB: PROPOSED ISSUE OF UNSECURED, SUBORDINATED, PERPETUAL, NON-CONVERTIBLE, TAXABLE, FULLY PAID-UP, BASEL III COMPLIANT, ADDITIONAL TIER I BOND IN THE NATURE OF DEBENTURES FOR INCLUSION IN ADDITIONAL TIER I CAPITAL ON PRIVATE PLACEMENT BASIS AGGREGATING UP TO RS. 3000 CRORES (IN ONE OR MORE TRANCHES).

We, Alankit Assignments Limited do hereby give our consent to act as Registrar & Transfer Agent for the proposed UNSECURED, SUBORDINATED, PERPETUAL, NON-CONVERTIBLE, TAXABLE, FULLY PAID-UP, BASEL III COMPLIANT, ADDITIONAL TIER I BOND in the nature of debentures for inclusion in Additional Tier I capital aggregating up to Rs. 3000 Crores (In One or more tranches) to be issued by the Bank subject to the terms and conditions under the Agreement Dated 30th November 2017.

Sincerely,
For Alankit Assignments Limited

Abhinav Kumar Agrawal
Deputy General Manager





ANNEXURE – D

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC135188



January 08, 2021

DCS/COMP/IV/IP-PPDI/05/20-21

The Company Secretary
Punjab National Bank
Plot No. 4, Sector – 10, Dwarka, New Delhi- 110 075

Dear Sir,

Re: Private Placement of Unsecured, Subordinated, Perpetual, Non-Convertible, Taxable, Basel III Compliant Additional Tier 1 bonds Series XII of face value Rs. 10 Lacs each (for cash at par) aggregating to total issue size not exceeding Rs. 1000 Crores, with a base issue size of Rs. 300 Crores and a Green shoe option to retain oversubscription up to Rs. 700 crores (The "Issue") for the inclusion in Additional Tier I Capital of the bank.

We acknowledge receipt of your application vide email dated January 08, 2021 seeking in-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing subject to fulfilling the following conditions:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with Securities and Exchange Board of India (Issue and listing of Non-Convertible Redeemable Preference shares) Regulations, 2013 as amended from time to time read with SEBI Circular SEBI/HO/DDH/S/CIR/P/2020/199 dated October 06, 2020 and submission of Disclosures and Documents as per Regulations 23, in the format specified in Schedule I of the said Regulations and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations directions of the Exchange or any statutory authorities, documentary requirements from time to time

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Sd/-
Rupal Khandelwal
Senior Manager

Sd/-
Ishwari Vaidya
Assistant Manager





ANNEXURE – E

Addressed to: _____ Application Form No: _____

	PUNJAB NATIONAL BANK (A Government of India Undertaking) Plot No. 4, Sector – 10, Dwarka, New Delhi -110 075 Tel No: +91-011- 2807 5000; Fax No: +91-011- 2804 5000 E-mail: treasury@pnb.co.in Website: www.pnbindia.in	For Office Use Only Date of Receipt of Application <table border="1"> <tr> <td> </td><td> </td><td>/</td><td> </td><td> </td><td>/</td><td>2</td><td>1</td> </tr> </table>			/			/	2	1
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Date of Clearance of Funds <table border="1"> <tr> <td> </td><td> </td><td>/</td><td> </td><td> </td><td>/</td><td>2</td><td>1</td> </tr> </table>			/			/	2	1		
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APPLICATION FORM FOR NON-CONVERTIBLE, TAXABLE, PERPETUAL, SUBORDINATED, UNSECURED, FULLY PAID-UP BASEL III COMPLIANT ADDITIONAL TIER I BONDS IN THE NATURE OF DEBENTURES OF FACE VALUE RS.10 LACS EACH (SERIES – XII)

To,
Punjab National Bank

Dear Sir,
 Having read, understood and agreed to the contents and terms and conditions of Punjab National Bank's Disclosure Document dated 21.01.2021, I/We hereby apply for allotment to me/us, of the APPLICATION FORM FOR NON-CONVERTIBLE, TAXABLE, PERPETUAL, SUBORDINATED, UNSECURED, FULLY PAID-UP BASEL III COMPLIANT ADDITIONAL TIER 1 BONDS IN THE NATURE OF DEBENTURES OF FACE VALUE RS.10 LACS EACH (hereinafter referred to as "Bonds"), out of the Private Placement Issue. I/We irrevocably give my/ our authority and consent to SBICAP Trustee Company Ltd., to act as my/our Trustee and for doing such acts and signing such documents as are necessary to carry out their duties in such capacity. The amount payable on application as shown below is remitted herewith. On allotment please place our name on the register of bondholders. I/We bind ourselves to the terms and conditions as contained in the disclosure document for private placement. I/ We note that the Bank is entitled in its absolute discretion to accept or reject this application in whole or in part without assigning any reason whatsoever.

(PLEASE READ CAREFULLY THE INSTRUCTIONS ON THE NEXT PAGE BEFORE FILLING UP THIS FORM)

APPLICANT'S DETAILS

SOLE/FIRST APPLICANT'S NAME IN FULL										SIGNATORY/AUTHORISED SIGNATORY									
SECOND APPLICANT'S NAME																			
THIRD APPLICANT'S NAME																			
ADDRESS (Do not repeat name) (Post Box No. alone is not sufficient)																			
PIN CODE					TEL					FAX					EMAIL:				

SOLE/ FIRST APPLICANT CATEGORY (Tick one)

- Scheduled Commercial Bank
- Public Financial Institution
- Insurance Company
- Primary/ State/ District/ Central Co-operative Bank
- Regional Rural Bank
- Mutual Fund

INVESTMENT DETAILS

Face Value/ Issue Price	Rs. 10,00,000/- (Rupees Ten Lacs Only) per Bond
Minimum Application	10 Bonds and in multiples of 10 Bonds thereafter
Tenure	
Coupon Rate	
Interest Payment	Annual
Amount payable per Bond (i)	Rs. 10,00,000/-





<input type="checkbox"/> Provident/ Gratuity/ Superannuation Fund
<input type="checkbox"/> Others (please specify) -

No. of Bonds Applied For (ii)	
Total Amount Payable (Rs.) (in fig) (i) x (ii)	

PAYMENT DETAILS

Total Amount Payable	
(Rs. in figures)	(Rs. in words)

UTR No.	
RTGS Dated	
Name of the Bank	
Branch	

SOLE/ FIRST APPLICANT'S BANK DETAILS (Ref. Instructions) INCOME TAX DETAILS (Ref. Instructions)

Bank Name	
Branch	
City	
Account Number	
RTGS/IFSC Code	
Type of Account	<input type="checkbox"/> Savings <input type="checkbox"/> Current <input type="checkbox"/> Others

	Sole/ First Applicant	Second Applicant	Third Applicant
P.A.N./ G.I.R. NO. (enclosed copy)			
I.T. Circle/ Ward/ District No.			

TAX DEDUCTION STATUS (PLEASE TICK ONE)

<input type="checkbox"/> Fully exempt (Please furnish exemption certificate)	<input type="checkbox"/> Tax to be deducted at source
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I/We undertake that the remittance of application money against our subscription in the issue as per application form has been remitted from a Bank Account in my/our own names

TO BE FILLED IN ONLY IF THE APPLICANT IS AN INSTITUTION

Name of the Authorised Signatory(ies)	Designation	Signature
1.	1.	
2.	2.	
3.	3.	
4.	4.	

DETAILS FOR ISSUE OF BONDS IN ELECTRONIC/ DEMATERIALIZED FORM SIGNATURE(S)**APPLICANT'S**

Depository Name (please tick)	<input type="checkbox"/> NSDL	<input type="checkbox"/> CDSL
Depository Participant Name		
DP-ID		
Client-ID		
Beneficiary Account Number		
Name of the Applicant		

Sole/ First Applicant	
Second Applicant	
Third Applicant	

(Tear Here)

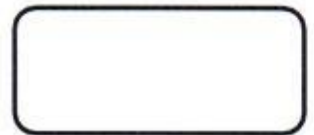
**PUNJAB NATIONAL BANK**

Head Office: Plot no 4, Sector-10, Dwarka, New Delhi, 110 075
Tel No: +91 - (011) 2807 5000; Fax No: +91 - (011) 2804 5000

ACKNOWLEDGEMENT SLIP

(To be filled in by the Applicant)

Received from _____
Address _____
an application for _____ Bonds vide RTGS/ UTR No. _____
Drawn on _____
Dated _____ Amounting to Rs. _____

Branch Seal

All future communication in connection with this application should be addressed to the Registrars: Aiankit Assignments Itd Jhandaala extension, New Delhi quoting full name of Sole/ First Applicant, Application No., Number of Bonds applied for, Date, Bank and Branch where the application was submitted and Cheque/ Demand Draft Number and Issuing Bank.



INSTRUCTIONS

1. Application forms must be completed in full in BLOCK LETTERS IN ENGLISH. A blank space must be left between two or more parts of the name.

A	B	C	D	E		L	T	D
---	---	---	---	---	--	---	---	---

Signatures should be made in English or in any of the Indian languages. Thumb impressions must be attested by an authorised official of a Bank or by a Magistrate/ Notary Public under his/ her official seal.

2. Application forms duly completed in all respects must be submitted with the respective Collecting Banker.
3. Outstation cheques, cash, money orders, postal orders and stock invest shall not be accepted.
4. Minimum application is of 10 Bonds and multiples of 10 Bonds thereafter
5. As a matter of precaution against possible fraudulent encashment of interest warrants due to loss/misplacement, applicants are requested to mention the full particulars to their bank account, as specified in the Application Form. Interest warrants will then be made out in favour of the sole/ first applicant's account. Cheques will be issued as per the details in the register of Bondholders at the risk of the sole / first applicant at the address registered with Issuer.
6. Receipt of applications will be acknowledged by the respective Collecting Branch of the Bank in the "Acknowledgment Slip", appearing below the Application Form. No separate receipt will be issued.
7. All applicants should mention their Permanent Account Number or the GIR number allotted under Income-Tax Act, 1961 and the Income-Tax Circle/Ward/District. In case where neither the PAN nor GIR number has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided.
8. The application would be accepted as per the terms of the instrument outlined in the Disclosure document of Private Placement dated 21.01.2021.
9. All communications will be addressed to the applicant whose name appears first in the application form.
10. Those desirous of claiming tax exemptions on interest on application money are compulsorily required to submit a certificate issued by the Income Tax Officer/relevant declaration forms (as per Income Tax Act, 1961) along with the Application Form. In case the above documents are not enclosed with the application form, TDS will be deducted on interest on application money. For subsequent interest payments, such certificates have to be submitted periodically.
11. Applicant desirous of receiving bonds in dematerialized form should mention their Depository Participant's name, DP-ID and Beneficiary Account Number in the appropriate place in the Application Form. The Issuer will take necessary steps to credit the Depository Account of the allottee (s) with the number of bonds allotted.
12. Please give the Complete Bank details like Bank Account Number, IFSC Code, Name of the Bank and Branch and Branch Code in the Column of Bank details.
13. The applications would be scrutinized and accepted as per the provisions of the terms and conditions of the Private Placement and as prescribed under the other applicable statues / guidelines etc. Issuer is entitled, at its sole and absolute discretion, to accept or reject any application, in part or in full, without assigning any reason whatsoever. An application form, which is not complete in any respect, is liable to be rejected.
14. The attention of applicants is drawn to the below mentioned:
Any person who
 - (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
 - (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
 - (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013



ANNEXURE – F

(H1 FY 21 Attached, Last three years attached separately)





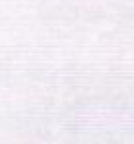
PUNJAB NATIONAL BANK

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	30.09.2019	30.09.2020	30.09.2019		31.03.2020*	30.09.2020	30.09.2019	30.09.2019		30.09.2019	31.03.2020*
		Reviewed	Reviewed	Reviewed	Reviewed	Audited	Reviewed	Reviewed	Reviewed	Reviewed	Audited		
1	Interest Earned (a+b+c+d)	2094484	2060491	1329192	4156075	2631826	5380003	2135431	2083223	1355056	4213554	2887753	5491847
	a) Interest / discount on advances / bills	1401123	1391878	887632	2793007	3361496	1411622	1392449	895903	2808651	1790976	3615625	
	b) Income on Investments	625954	606013	375524	1231867	731539	645022	627990	336970	1272323	1609974	1863974	
	c) Interest on Balances with RBI & other inter bank funds	51183	49394	62383	100577	251022	51254	49578	62284	100872	117431	253073	
	d) Others	18424	13206	3553	29630	7824	14425	14423	13205	28629	3199	13723	
2	Other Income	249272	368789	226469	618061	927413	253962	398549	229321	643531	439316	938766	
3	TOTAL INCOME (1+2)	2343956	2429280	1956661	4773136	3071835	6307416	3384413	2472772	1684376	4857165	3127069	6430013
3A	Interest Expended	1255264	1305648	902808	264012	1797316	3638224	1274532	1394912	918294	2659445	3899747	
3B	Operating Expenses (a+b)	521101	515627	298558	1036728	570182	1197237	526074	521055	300601	1047129	677783	1215050
4	(a) Employee Cost	324125	330717	167476	654642	335645	696168	327163	338624	169594	660787	339782	706002
	(b) Other operating expenses	196976	184910	129182	381986	234537	501189	198911	187431	131007	386342	238001	509048
B	TOTAL EXPENDITURE (3+4)	1776385	1901275	1199466	3678640	2367498	4833861	1800607	1915967	1218885	3716574	2404802	4914797
C	(excluding Provisions & contingencies)	567491	528005	386195	1095496	704337	1473855	533806	556805	368491	1140611	722267	1616816
D	Provisions (other than tax) and contingencies of which provisions for Non Performing Assets	409615	408589	292890	930204	495221	1399966	488884	473869	309356	963753	516867	1433114
E	Exceptional Items	381117	483940	325332	864157	540045	1446408	404698	486065	335176	892763	555059	1471758
F	Profit / (Loss) from ordinary activities before tax (C-D-E)	97876	56418	63305	157292	208116	73899	93922	82956	68135	178858	205400	82702
G	Provision for Taxes (Tax Expenses)	35795	29571	12500	64305	55549	40279	34456	35473	13132	74673	59714	46398
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												
L	Share of minority												
M	Net Profit / (Loss) after minority interest (J+K+L)	62081	30845	50705	92926	152568	33620	54466	47519	43003	101985	146226	36334
6	Reserves excluding revaluation reserves (as per Balance sheet of previous year)	188213	188213	92081	188213	92081	134151	67616	53771	56974	111387	164390	43945
7	Analytical Ratios						5625128						5777017
	(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	12.83	14.07	12.84	14.07	14.14	13.17	13.07	14.30	13.17	14.30	14.50
	a) CET 1 Ratio (%)	9.53	9.44	10.84	9.53	10.84	10.59	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)	0.06	0.33	1.10	0.99	3.31	0.52	0.61	0.57	1.24	1.18	3.57	0.80
	(iv) Basic and diluted EPS after extraordinary items	0.56	0.33	1.10	0.99	3.31	0.52	0.61	0.57	1.24	1.18	3.57	0.80
	(v) NPA Ratios:												
	(a) Amount of Gross NPAs	9631394	10184934	7945609	9631394	7945809	7347676						
	(b) Amount of Net NPAs	3091984	3350302	3205669	3091984	3205669	2721809						
	(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-audit/audit period, hence not comparable with post-audit/audit 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	8100997	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:

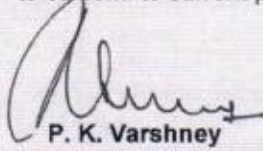
No. of Accounts Restructured	Amount (Rs. in Crores)
48378	2712.54

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.

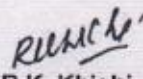


24. The figures for the quarter ended September 30, 2020 are the balancing figures between reviewed figures in respect of the half-year ended September 30, 2020 and the published year to date figures up to June 30, 2020.

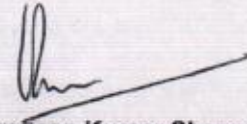
25. Figures of the previous periods have been regrouped / rearranged / re-classified wherever necessary to conform to current period's classification.



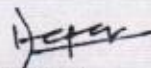
P. K. Varshney
Assistant General Manager



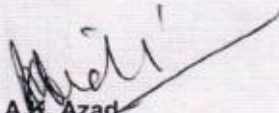
R.K. Khichi
Deputy General Manager



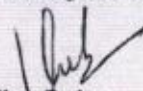
Praveen Kumar Sharma
General Manager



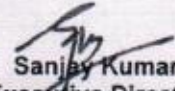
D K Jain
General Manager & CFO



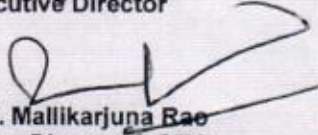
A.R. Azad
Executive Director



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

Sr. 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	30.09.2019		31.03.2020	30.09.2020	30.09.2019	30.09.2019		31.03.2020	
Reviewed*	Reviewed*	Reviewed*	Reviewed*	Audited*	Reviewed*	Reviewed*	Reviewed*	Reviewed*	Audited*				
1	Segment Revenue	7169110	7592124	4959442	15172024	955187	1957845	601450	837250	513623	1839700	994463	2064579
	(a) Treasury Operations	8201498	8331173	645795	16535671	1179002	2252526	832797	833103	652451	1989900	1191192	2290479
	(b) Corporate/Wholesale Banking	682999	726952	300527	1409574	877995	1874832	689471	748499	384218	1414230	677086	1883965
	(c) Other Banking Operations	60992	32167	32167	137967	64211	122414	62955	32085	32085	136265	64331	122519
	Total Revenue	2343956	2429280	1559661	4773136	3071835	6307416	2384413	2472772	1584377	4857185	3127070	6430613
	Segment Results	152315	317851	135647	470166	300301	612323	166901	347599	142172	515886	310798	641022
(a) Treasury Operations	-16450	-294834	-78830	-361294	-130046	-602722	-132235	-366370	-60042	-399111	-146753	615578	
(b) Corporate/Wholesale Banking	137011	80346	67034	223337	158796	278008	138286	66637	44997	217693	157622	283718	
(c) Other Banking Operations	178098	18098	8208	35906	15791	32200	16598	16632	7512	33356	14300	27655	
Total	190684	157441	132808	348153	338819	188749	188749	98064	169842	387712	336167	336167	
Unabsorbed Expenditure	92805	89045	66604	66604	130766	245960	92805	98064	69504	196564	130767	254113	
Profit before Tax	97876	94116	63306	157292	209116	73899	82062	82062	56135	178656	205402	82702	
Provision for Tax	33795	28671	12600	64386	59548	40279	38456	38417	13132	74673	58774	46368	
Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-	
Share of Earning in Associates/(Not)	-	-	-	-	-	-	-	-	-	-	-	-	
Minority Interest	-	-	-	-	-	-	-	-	-	-	-	-	
Net profit	64081	39845	50705	92926	152568	33620	57616	3216	5298	11387	164390	43845	
3	Segment Assets	41102005	43870194	26179707	41102005	26179707	26515066	42799445	45689305	27934877	42799445	27934877	27999512
	(a) Treasury Operations	47976771	47976771	32794614	47976771	32794614	30630417	48374137	47519809	33192096	48374137	33192096	36197980
	(b) Corporate/Wholesale Banking	255607524	251756638	16284915	255607524	16284915	15708035	2569154	25857236	16375736	16375736	15812252	1615892
	(c) Retail Banking	2752997	2156621	2037618	2752997	2037618	2030040	2226488	2778398	2106451	2778398	2106451	1615892
	(d) Other Banking Operations	4303273	4384695	2783689	4303273	2783689	2820049	4303272	4384695	2778398	2926049	2778398	2926049
	Total	122212370	122246955	80823243	122212370	80823243	83060581	125016280	125081875	82387533	125016280	82387533	85145275
4	Segment Liabilities	39576991	42296152	23483548	39576991	23483548	75419887	41004099	43790165	28590726	41004099	28590726	28590726
	(a) Treasury Operations	45198681	45402272	45198681	45198681	45198681	34880670	46481422	45679877	31417505	46481422	31417505	35143790
	(b) Corporate/Wholesale Banking	25581765	24835502	14526761	25581765	14526761	14706473	25580818	25240281	15924080	25580818	15924080	15469040
	(c) Retail Banking	2000462	2079240	1842623	2000462	1842623	14706473	2092170	1938475	1638475	2092170	1638475	1473867
	(d) Other Banking Operations	822	824	465	822	465	464	3456	4175	35197	3456	36197	39045
	Total	114018881	114461102	74218082	114018881	74218082	78338843	116138106	11614668	78964545	116138106	78964545	78158089
5	Capital Employed	1525014	1574042	1246159	1525014	1246159	1095199	1795746	1871640	1344151	1795746	1344151	1364625
	(a) Treasury Operations	1689635	1629959	1529909	1689635	1529909	1808075	1808075	1839932	1717031	1808075	1717031	1648230
	(b) Corporate/Wholesale Banking	985739	985739	758214	985739	758214	648816	718336	617236	451659	718336	451659	343212
	(c) Retail Banking	102515	77379	94956	102515	94956	63361	117261	136678	117261	136678	144565	
	(d) Other Banking Operations	4307351	4383371	2777904	4307351	2777904	2925665	4299818	4380571	2742191	4299818	2742191	2807004
	Total	869799	859863	640761	869799	640761	6335748	897774	8923507	6423608	897774	6423608	6387638

PART B - GEOGRAPHICAL SEGMENTS

Sr. No.	Particulars	Standalone					Consolidated						
		Quarter Ended		Half Year Ended		Year Ended	Quarter Ended		Half Year Ended		Year Ended		
		30.09.2020	30.09.2020	30.09.2019	30.09.2019		31.03.2020	30.09.2020	30.09.2019	30.09.2019		31.03.2020	
Reviewed*	Reviewed*	Reviewed*	Reviewed*	Audited*	Reviewed*	Reviewed*	Reviewed*	Reviewed*	Audited*				
1	Revenue	2326139	2465032	1527130	4730171	3001127	6176425	2354123	2439149	1520857	4793272	303517	6256651
	(a) Domestic	18777	24248	34531	42965	70798	136991	32293	33923	63913	91353	175962	
	(b) International	234836	2439280	1555641	4773136	3071835	6307416	2384413	2472772	1584377	4857185	3127070	6430613
2	Assets	118406399	118436292	78200711	118053369	78200711	79205523	118616714	119971578	77259983	118616714	77259983	8025154
	(a) Domestic	465171	4693763	4344532	4657171	4344532	3737008	5489528	5066577	5127570	5489528	5127570	4590571
	(b) International	122212370	122246955	80623243	122212370	80623243	83060581	125016280	125081875	82387533	125016280	82387533	85145275

Notes:

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



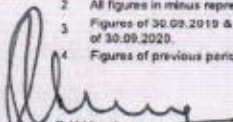
PUNJAB NATIONAL BANK
Statement of Standalone Cash Flow for the half year ended 30th Sep 2020

(Rs In 000)

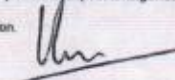
	For the half year ended		Year Ended
	30.09.2020	30.09.2019	31.03.2020
A. Cash Flow from Operating Activities			
Net Profit/(Loss) after Tax	9292591	15256841	3361944
Provision for Tax	6436648	5654780	4627884
(i) Net Profit/(Loss) before taxes	16729239	20911621	7389828
(ii) Adjustments for:			
Depreciation on fixed assets	5179442	3109853	6076733
Depreciation/(Release) on Investments (net)	-1750044	1431439	-3650117
Provisions for non performing assets	86475861	54004450	144640764
Provision on Standard Assets	7609074	-1585004	730724
Other Provision (net)	1486127	-4338145	-1712295
Dividend from Subsidiary / Others	-565896	-1138081	-1541119
Profit / Loss on sale of Fixed Assets (net)	-9102	-181739	-416673
Interest paid on Bonds	9400154	6275299	11762046
Sub Total	107918416	86578072	155890122
Operating Profit before Changes in Operating Assets and Liabilities	(i+ii)	77489693	163279950
(iii) Adjustment for net change in Operating Assets and Liabilities			
Decrease / (increase) in Investments	-197435918	-371458808	-379176654
Decrease / (increase) in Advances	363046822	254794839	-281163389
Decrease / (increase) in Other Assets	-30688706	-34396336	-13791168
Increase / (Decrease) in Deposits	-18155626	197519405	278161845
Increase / (Decrease) in Borrowings	-208865829	-47642050	120805141
Increase / (Decrease) in Other Liabilities & Provisions	-43659353	7149750	6206589
	(iii)	5996001	-268767636
Cash generated from Operations	(i+ii+iii)	83485094	-105487686
Direct Taxes paid (net off refund)	4905235	9110753	31233338
A Net Cash from Operating Activities	(A)	74374941	-126721624
B Cash Flow from Investing Activities			
Purchase of Fixed Assets (net off Sales)	-2692771	-1476562	-3300263
Dividend recd from Subsidiary/Others	565896	1138081	1541119
Investment in Subsidiary/Others	-1293666	-10036	-40662
Net Cash from/(used) in Investing Activities	(B)	-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	-9400154	-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)	134057451	135570704
D. Cash and Cash Equivalents received on account of amalgamation	(D)	0	0
E. Net Change in Cash and Cash Equivalents	(A+B+C+D)	208083654	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

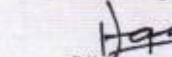
Notes :-

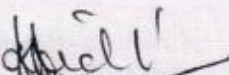
- 1 Direct taxes paid (net off refund) are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- 2 All figures in minus represents "Cash Out Flow"
- 3 Figures of 30.09.2019 & 31.03.2020 are related to standalone pre amalgamated Punjab National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

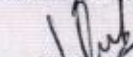

P K Varshney
Asstt. General Manager


R K Khichi
Dy. General Manager

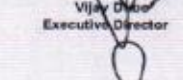

Praveen Kumar Sharma
General Manager


D K Jain
General Manager & CFO


A K Azad
Executive Director


Vijay Dube
Executive Director


Sanjay Kumar
Executive Director


CH. S.S. Mallikarjuna Reddy
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	1113.98	1643.90	438.45
Provision for Tax	748.73	591.74	463.68
(I) Net Profit before taxes	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)	(194.67)	(121.60)
Profit / Loss on sale of Fixed Assets (net)	(0.90)	(16.17)	(41.67)
Interest paid on Bonds	949.02	527.53	1176.20
Sub Total	10953.16	5796.82	15959.87
Operating Profit before Changes in Operating Assets and Liabilities	(I+II)	9032.46	16662.00
(III) Adjustment for net change in Operating Assets and Liabilities			
Decrease / (Increase) in Investments	(21951.37)	(39579.83)	(42715.83)
Decrease / (Increase) in Advances	35830.38	24713.97	(29243.39)
Decrease / (Increase) in Other Assets	(3152.88)	(3685.96)	(176.08)
Increase / (Decrease) in Deposits	(1469.31)	19552.72	28380.19
Increase / (Decrease) in Borrowings	(19290.39)	(1010.48)	18874.67
Increase / (Decrease) in Other Liabilities & Provisions	(4006.05)	(457.36)	(576.50)
	(III)	(44051.62)	(27456.94)
Cash generated from Operations	(I+II+III)	7585.54	(10894.94)
Direct Taxes paid (net off Refund)	247.07	(937.22)	(2198.10)
Net Cash from Operating Activities	(A)	5648.32	(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)	(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	(948.02)	(685.29)	(1332.60)
Cash paid to Shareholder of e-OBG & e-UNI towards fractional entitlement consequent to amalgamation	(0.47)	0.00	0.00
Increase/(Decrease) in Minority Interest	66.58	45.75	72.99
Net Cash from Financing Activities	(C)	13424.07	13591.15
D. Cash and Cash Equivalents received on account of amalgamation	(D)	0.00	0.00
E. Net Change in Cash and Cash Equivalents	(A+B+C+D)	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
P. K. Varshney
Asstt. General Manager

R. K. Khichi
R. K. Khichi
Dy. General Manager

Praveen Kumar Sharma
Praveen Kumar Sharma
General Manager

A. K. Azad
A. K. Azad
Executive Director

D. K. Jain
D. K. Jain
General Manager & CFO

Vijay Dutt
Vijay Dutt
Executive Director

Sanjay Kumar
Sanjay Kumar
Executive Director

Ch. S. S. Manikarjuna Reddy
Ch. S. S. Manikarjuna Reddy
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



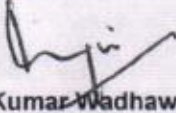
disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance 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:

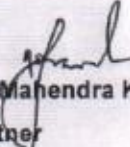
- a) Refer **Note No. 1** to the accompanying financial results regarding change in policy of appropriation of recovery in NPA accounts
- b) Refer **Note No. 9** to the accompanying financial results regarding impact of Hon'ble Supreme Court order on provisioning and classification of loans and advances 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
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(M.NO. 099374)
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UDIN: 20099374AAAAC1624
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— through VC —
CA G Kumar
Partner
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UDIN: 20023082AAAAMJ3743
Place: Chennai



Date: November 02, 2020

