

BWR/NCD/HO/ERC/MM/0669/2016-17
March 02, 2017

Shri Ashwini Vats
General Manager - Treasury division,
Punjab National Bank
C-9, G Block, Pragati Towers,
6th floor, Treasury division,
Bandra Kurla Complex, Mumbai 400 051

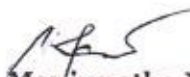
Dear Sir,

Sub: Rating of Punjab National Bank's Proposed fresh issue of Basel III compliant Additional Tier I Bond of ₹ 1500 Cr - our letter no. BWR/NCD/HO/ERC/MM/0580/2016-17 dated January 31, 2017
Ref: your request of March 02, 2017

With reference to your request of March 02, 2017, Brickwork Ratings wishes to inform that Punjab National Bank's proposed fresh issue of Basel III compliant Additional Tier I Bond of ₹ 1500 Cr carries a **"BWR AA+"** (Pronounced BWR Double A Plus) (Outlook: Stable) rating which is valid up to January 30, 2018.

Please note that all terms and conditions of our letter no BWR/NCD/HO/ERC/MM/0580/2016-17 dated January 31, 2017 remain unchanged. On completion of borrowing, please furnish details of security and other aspects related to the borrowing.

Best Regards,


Marjunatha MSR
Director - Ratings



¹For Definition of ratings please refer our website www.brickworkratings.com

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Brickwork Ratings India Pvt. Ltd.

Page 1 of 1

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CIN: U67190KA2007PTC043591

C. Office Issue CPT

Ind-Ra/PNB/AT1/Feb'17

Punjab National Bank
Plot C-9, Block-G
Bandra-Kurla Complex
Mumbai – 400051

February 28, 2017

Kind Attention: Mr. Ashwini Vats, GM- Treasury, Punjab National Bank

Dear Sir,

Re: Rating of Punjab National Bank's INR15bn Additional Tier I bonds

India Ratings assigns Punjab National Bank's proposed INR15 billion of Basel-III Additional Tier-1 (AT1) bonds an 'IND AA+' rating with a Stable Outlook.

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 or in a given jurisdiction.

The manner 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 the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, 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 in 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 advisers 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 embody 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 commentary. 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.

India Ratings & Research Private Limited A Fitch Group Company

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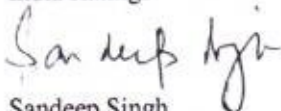
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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at +91 22 4000 1700.

Sincerely,
India Ratings



Sandeep Singh
Senior Director



Sudarshan Shreenivas
Director

