

Date	Headline	Publication	Edition	Page	Source
Jan 20, 2026	Eyeing 'organic growth' in southern states: PNB chief	The Times of India	<a href="#">10Editions</a>	15	Bureau

# Eyeing 'organic growth' in southern states: PNB chief

**Shiva Rajora & Sidhartha** | TNN

**New Delhi:** Punjab National Bank (PNB) MD & CEO Ashok Chandra Monday said the state-run lender is looking to grow organically in the southern states and there is no proposal on the table for any acquisition.

“No decision or discussion regarding (any) acquisition has happened at the board level or at the govt level,” Chandra told **TOI**, while responding to a query on fresh acquisition plans.

The bank, which reported record quarterly profits of Rs 5,100 crore during Oct-Dec, up 13% from the year ago, ai-

ded by a lower tax payout, said it expects the net interest margin to improve in the coming quarters, and asserted that deposit and advances growth are in line with the overall target. This is in contrast to some of the private players complaining of weak deposit growth.

“For credit growth, we had given a guidance of 11-12% and we are 10.9%. We are going to achieve the guidance for the financial year. We had given a guidance of 9-10% deposit growth and we are at 8.9%. Very consciously, we have kept the deposit growth in this quarter at 8.5%, reason being, we have a credit-deposit ratio of 72%. This qu-

arter it is 74%,” Chandra said. He also said PNB is looking to tap refinance from Sidbi and borrow using excess statutory liquidity ratio (SLR) holdings.

Chandra said the bank's gross non-performing assets (NPA) in the March quarter will slide below 3% from just under 3.2% at the end of Dec. He further added that the bank is looking to recover nearly Rs 4,500 crore in the current quarter compared with Rs 4,100 crore in the previous three months. Asked about the impact of US tariffs on the loan book, he said there was “no stress” as exposure was Rs 1,700 crore as far as export loans were concerned.

Date	Headline	Publication	Edition	Page	Source
Jan 21, 2026	Rate cuts pressure PNB, drive shift to cheaper deposits	Hindustan Times	<a href="#">Jaipur</a>	13	Bureau

## Rate cuts pressure PNB, drive shift to cheaper deposits

**Anshika Kayastha**

[anshika.kayastha@livemint.com](mailto:anshika.kayastha@livemint.com)

**MUMBAI:** Punjab National Bank, or PNB, is preparing the ground for further deposit rate cuts as pressure on margins intensifies, betting that cheaper deposits are now the best way to protect profitability as earlier policy rate cuts have already pushed lending yields lower.

The state-owned lender cut deposit rates by about 20 basis points (bps) across tenures effective January 1, 2026 and sees scope to go further, managing director and chief executive Ashok Chandra said. The reductions are expected to begin lowering PNB's cost of deposits from the March quarter, at a time when loan yields have fallen much faster than funding costs.

"As of now also, hardly 80 bps rate cut has happened in any segment in our deposit. So there is still enough room. We will see how this situation pans out," Chandra told *Mint*, adding that the bank's asset-liability committee will assess the impact of the latest rate cut at the end of the month and then take a view on future deposit rate cuts. "(If the repo rate remains the same) we can definitely look for that," he said.

The urgency comes from a visible squeeze on margins. PNB's domestic net interest margin fell to 2.65% in Q3FY26, down from 2.72% in the previous quarter and 3.09% a year earlier. While the domestic cost of deposits eased only marginally to 5.1% from 5.18% in the September quarter, yields on advances



**The lender cut deposit rates by about 20 bps across tenures effective January 1.** MINT

dropped more sharply to 7.8% in Q3 from 8.01% in the previous quarter and 8.5% a year ago.

Chandra said deposit rate cuts had been limited so far because of a "dynamic" market environment and the need to balance depositor interests, but acknowledged that margin strain is now pushing the case for faster repricing.

A series of rate cuts by the Reserve Bank of India (RBI) since February 2025, totalling 125 bps, including 25 bps in December 2025, has added pressure. Both public and private sector banks have cut deposit rates to varying degrees, depending on growth momentum and the composition of their loan and deposit portfolios. Weighted average rates on domestic term deposits fell to 6.8% in November 2025 from 7.2% in February 2025, latest RBI data showed.

In response to the RBI rate cuts, PNB has trimmed deposit rates by about 80 bps so far.

Date	Headline	Publication	Edition	Page	Source
Jan 20, 2026	PNB Posts Record Profit of Rs 5,100 cr in Q3, Up 13%	The Economic Times	<a href="#">7Editions</a>	14	Bureau

## BUOYED BY RETAIL, AGRICULTURE AND MSME LOANS

# PNB Posts Record Profit of ₹5,100 cr in Q3, Up 13%

Bank aims to post over ₹5k cr in profits every quarter from now on, MD Ashok Chandra tells ET

**Dheeraj Tiwari**

**New Delhi:** Punjab National Bank on Monday posted its highest ever quarterly net profit of ₹5,100 crore for the December quarter, an increase of 13% as compared to ₹4,508 crore in the same quarter a year ago.

PNB managing director Ashok Chandra told ET that the bank now aims to post an excess of ₹5,000 crore profit every quarter.

Chandra attributed this optimism to the growth which is happening in the retail, agriculture and MSME sector, or RAM, loan recoveries, and the new verticals that the bank has created. "Supply chain vertical, retail, cash management services and credit card vertical," he said, adding that these are all profit-generating verticals, noting that the bank has a book of ₹3,000 crore under the supply chain vertical and the average yield is more than 8%.

Chandra noted that the bank in FY27 will also launch trade finance, and the whole digital stack is ready. "There will be substantial revenue from this vertical as well," he added.

The bank's scrip closed at ₹128.05 on the Bombay Stock Exchange down by 3.25%. PNB's net interest income declined 4.5% to ₹10,533 crore in the third quarter from ₹11,032 crore in the same period last year. PNB's gross non-performing assets ratio stood at 3.19% from 4.09% a year ago. The bank made provisions amounting to ₹1,341 crore.

Chandra said that the bank made a floating provision of ₹955 crore towards the implementation



of the Expected Credit Loss, or ECL, framework.

"This quarter we had good profitability, so we thought this is the right time to make the provision and make our balance sheet strong at the time of the implementation," he said adding the provision for bad loans is only ₹386 crore.

The bank aims to have gross non-performing assets (NPA) below 3% and net NPA below 0.35% and bring it to below 0.30% in the March quarter.

Chandra said that by the end of March 2026, the bank aims to cross the corporate loan book sanction of ₹4 lakh crore.

"Renewal energy, data centres, power distribution, the road projects, and airport projects are some of the key sectors," he said, adding that the MSME book is growing 19%, and the retail book is also growing by more than 18%.

"We are seeing the impact of the GST rate cut in all these retail, agriculture and MSME sectors. We are very bullish that we will achieve the 60% composition of the loan portfolio in the RAM sector and 40% in corporate," he added.

Date	Headline	Publication	Edition	Page	Source
Jan 20, 2026	PNB logs best ever quarterly profit of Rs 5,100 crore in Q3	Business Standard	<a href="#">12Editions</a>	6	Bureau

# PNB logs best ever quarterly profit of ₹5,100 crore in Q3

**HARSH KUMAR**

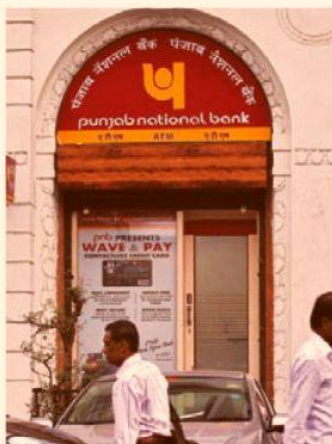
New Delhi, 19 January

New Delhi-based Punjab National Bank (PNB) on Monday reported a 13.1 per cent year-on-year (Y-o-Y) increase in its net profit to ₹5,100 crore for the third quarter of 2025-26 (Q3FY26). Its net profit was ₹4,508 crore in the year-ago period.

This is the highest ever quarterly profit for the bank, which aims for a bottom line in excess of ₹5,000 crore every quarter, PNB Managing Director and Chief Executive Officer (MD&CEO) Ashok Chandra said during a media interaction. The total income increased to ₹37,253 crore from ₹34,752 crore a year ago.

The bank's shares fell 3.2 per cent after its net interest income (NII) fell 4.5 per cent on year to ₹10,533 crore from ₹11,032 crore in the corresponding period of the previous financial year.

The non-interest income of the bank for Q3FY26 stood



at ₹5,022 crore, recording a Y-o-Y growth of 47.2 per cent.

However, CRAR (capital to risk-weighted assets ratio) increased to 16.77 per cent as on December 31, 2025 from 15.41 per cent as on December 31, 2024, showing an improvement of 136 basis points (bps).

Similarly, net non-performing assets (NPAs), or bad loans, slipped to 0.32 per cent at the end of Q3FY26 from 0.41 per cent at the end of Q3FY25. Despite a fall in the NPA ratio, provision against bad loans

## Shares take a hit

Punjab National Bank (share price in ₹)



Source Bloomberg  
Compiled by BS Research Bureau

increased over fourfold to ₹1,341 crore from ₹318 crore a year ago. Clarifying the issue, Chandra said the increase was on account of an additional provision of ₹955 crore for meeting ECL (expected credit loss) guidelines that would kick in from April 1, 2027.

With regard to recovery from the technically written-off account, Chandra said it has doubled to ₹1,956 crore against ₹823 crore in the year-ago quarter due to recovery in one big account.

PNB's RAM (retail, agriculture, and MSME) advances grew by 11 per cent Y-o-Y to ₹6.62 trillion as on December 31, 2025, compared with ₹5.96 trillion as on December 31, 2024, reflecting steady momentum in priority and granular lending segments. Meanwhile, the CD (credit-deposit) ratio improved to 74.2 per cent as on December 31, 2025 from 72.6 per cent a year earlier, indicating more efficient deployment of deposits into credit, and a healthier balance between resource mobilisation and lending growth.

In its regulatory filing, PNB also informed that its digital transactions accounted for 94.86 per cent of the bank's total transactions in Q3FY26. Moreover, total amount sanctioned and disbursed through digital lending journeys crossed ₹12,672 crore in Q3FY26. Return on Assets (RoA) improved to 1.06 per cent during the quarter from 1.03 per cent in Q3FY25.

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Jan 20, 2026	'Mandatory digital sanction for loans below Rs 10 lakh from Feb 1'	The Hindu Business Line	<a href="#">8Editions</a>	1	Bureau



## DIGITAL SHIFT.

**Ashok Chandra**, Punjab National Bank MD & CEO, said mandatory digital sanction of loans below ₹10 lakh will begin on Feb 1 **p7**

# 'Mandatory digital sanction for loans below ₹10 lakh from Feb 1'

**PERMANENT FIX.** Punjab National Bank's MD & CEO believes there will be no impact of the new labour codes on the bank's wage bill as it does not have any contractual workers

## bl.interview

**Shishir Sinha**  
New Delhi

Ashok Chandra, Managing Director and CEO of Punjab National Bank, believes there will be no impact of the new labour codes on the PNB's wage bill.

Chandra discussed a range of subjects, including measures to reduce fresh slippage.

*Edited excerpts:*

**Given the government's focus on capex, do you believe you can meet the rising credit demand across various sectors?**

Absolutely. As of now also, credit to MSMEs is growing at 19 per cent.

As we are reducing IBPC (Inter-Bank Participation

Certificates), core retail has grown more than 18.5 per cent. Agriculture credit has grown over 11 per cent.

We remain fully aligned with our core strategic objectives for this financial year.

Corporate loan book is now ₹3.12 lakh crore, which is the sanctioned amount till December 31, 2025. Of this, around ₹1 lakh crore is yet to be disbursed in Q4 of this fiscal and Q1 and Q2 of the next financial year.

With what we have been doing, corporate loan book would have grown more than 11 to 12 per cent, except the IBPC, which is at a very, very low rate.

The reported 8-9 per cent growth rate reflects our strategic decision to reduce exposure to IBPC and other low-yielding advances.

We intend to maintain this disciplined approach

through Q4 as we phase out these low-margin assets entirely.

**Which sector has the higher share in fresh slippage during the quarter under consideration and also during the nine-month period?**

For the current quarter, agriculture accounted for approximately ₹800 crore, while MSME and retail contributed ₹400 crore each.

For the nine-month period, total slippages stood at ₹4,518 crore, down slightly from ₹4,557 crore year-over-year. The MSME sector represented the largest share during this nine-month period, totalling ₹2,500 crore.

**What are the plans to further reduce reduce slippages?**



Our digital transformation strategy is significantly optimising our human resource requirements

**ASHOK CHANDRA**  
MD & CEO, Punjab National Bank

Our analysis revealed that 80 per cent of slippages occurred in accounts below ₹10 lakh. To address this, we implemented a mandatory digital sanctioning process for loans in this category, effective November 1, 2025.

By utilising stringent, unbiased business rule engines (BREs), we have ensured that only viable proposals are approved in our pilot geographies.

Based on these results, we will mandate this automated,



zero-manual underwriting process nationwide, starting February 1.

**Given that the recent rate cuts have pressured your net interest income (NII) and led to a slight de-growth, when do you expect the full impact of lower deposit rates to materialise?**

We anticipate the meaningful impact of deposit repricing to begin in Q1 of FY27.

Currently, 70 per cent of our deposit book has already been repriced.

An additional 21 per cent is slated for repricing in the current quarter (Q4FY26), with the remaining 9 per cent following in the latter half of Q1 and into Q2 of FY27.

While repricing is ongoing, the full benefit to our interest expenses will be most visible starting in the latter half of Q1 and into Q2 of FY27.

**And if there is another rate reduction in February, then Q4 and Q1 of FY27 will be affected?**

Definitely. Then we need to look into our entire deposit interest rate as well because as of now, 125 basis point rate cut has happened.

But the entire lot has not passed on the deposits. We have passed on hardly 60-70

basis points on deposits.

We have enough cushion for adjustment in our deposit rate. We will see that if any further rate cut happens, then definitely we will have to pass it on to the depositors.

**What has been the net increase in headcount over the last nine months, and what are your hiring projections for the remainder of the fiscal year, or the next six months?**

Our total headcount has remained stable over the past 18 months, as the volume of retirements has offset new recruitment.

We have maintained a consistent workforce of approximately 1.03 lakh employees since the start of the financial year. Consequently, there has been no net increase in staff strength.

**Any particular reason?**

Our digital transformation strategy is significantly optimising our human resource requirements.

By automating processes such as the digital sanctioning of loans up to ₹10 lakh, we have reduced the need for manual intervention at the branch level.

Through centralisation and integration of digital tools across all operations, we are able to manage natural attrition and retirements without the need for large-scale replacement hiring.

**What will be impact of new labour code on your Wage Bill?**

There will not be any impact because we don't have any contractual workers which means all 1.03 lakh are on the regular payroll.

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Jan 21, 2026	PNB sees NIM recovering from Sept quarter	The Financial Express	<a href="#">10Editions</a>	1	Bureau

## PNB sees NIM recovering from Sept quarter



PUNJAB NATIONAL BANK (PNB) expects to sustain quarterly net

profit of above ₹5,000 crore despite near-term pressure on margins and higher credit costs, Executive Director Bibhu Prasad Mahapatra told **Kshipra Petkar** in an interview. ■ **PAGE 6**

# PNB sees NIM recovering from Sept qtr

**KSHIPRA PETKAR**  
Mumbai, January 20

**PUNJAB NATIONAL BANK (PNB)** expects to sustain quarterly net profit of above ₹5,000 crore despite near-term pressure on margins and higher credit costs, Executive Director Bibhu Prasad Mahapatra told FE in an interview. The state-owned lender expects the operating profit to remain above ₹7,000 crore.

Despite reporting a net profit of ₹5,100 crore for the December quarter, the stock fell 5.14% in the previous two sessions. Mahapatra attributed the decline to compression in net interest margins (NIMs) and higher credit costs due to additional provisions.

“Once the market understands these internal factors and the rationale behind our provisioning and margin movement, the performance should improve,” he said.

During Q3, the bank cre-

ated floating provisions of ₹955 crore, taking the cumulative floating provision buffer to ₹1,775 crore. “These elevated provisions are part of prudent financial management and will help us transition smoothly to the ECL regime from April 2027,” Mahapatra said.

For the current quarter (January-March), PNB has guided for a domestic NIM of around 2.7% and an overall NIM of about 2.6%, assuming that there is no more rate cut. Mahapatra said margin improvement is expected from the second quarter of FY27 onwards as high-cost deposits mature and are repriced.

Over the last 1.5 years, PNB had mobilised deposits at higher rates. Around 70% of these were repriced by December 31, another 21% will be repriced in the coming quarter, and the remaining 9% by May 2026, he said. As this process plays out, pressure on margins



Executive Director **Bibhu Prasad Mahapatra** said retail lending would continue to be the key growth driver

is expected to ease.

Mahapatra said retail lending would continue to be the key growth driver. Excluding inter-bank participation certificates, the retail book is growing at over 18%. Vehicle loans are expanding by over 30%, housing loans by around 14–15%, and personal loans

are also seeing traction.

The bank is also focusing on scaling up the credit card business. “We have a credit card base of around 600,000 and we are expecting to reach 1 million credit cards by March 2026 and 2 million by March 2027,” he said.

The corporate credit growth, currently at 8–9%, is expected to move into double digits, supported by diversified exposure across infrastructure, solar and hybrid annuity model-based projects.

Mahapatra did mention that PNB is seeing higher delinquencies in loans below ₹10 lakh. “We are addressing this through increased outreach, which is helping improve recovery rates.”

The ED said the bank does not foresee any need for fundraising, citing comfortable capital adequacy and a credit-deposit ratio of around 74%, which provides ample headroom for future growth.