

Date	Headline	Publication	Edition	Page	Source
Oct 19, 2025	PNB net profit jumps 14%	The Times of India	3 Editions	21	Bureau

PNB net profit jumps 14%

Punjab National Bank reported a 14% rise in Q2 net profit to Rs 4,904 crore, with operating profit up 5.5% to Rs 7,227 crore. Total income grew 5.1%, while net interest income slipped 0.5%. Gross and net NPAs fell to 3.45% and 0.36%, respectively. Advances and deposits rose 10.1% and 10.9%. Retail, agriculture, and MSME loans drove growth. CRAR strengthened to 17.19%, digital transactions surged 31%, and full-year credit growth is expected at 11%-12%. TNN

Date	Headline	Publication	Edition	Page	Source
Oct 23, 2025	PNB shares financial results for Q2 & HY1 FY'26	Hindustan Times	Delhi	16	Bureau

PNB shares financial results for Q2 & HY1 FY'26

Punjab National Bank recently disclosed its financial results for the Q2 & HY1 FY'26. The bank's Gross Global Business surpassed Rs 27.86 Lakh crore. Net Profit increased Y-o-Y by 14.0% to Rs 4,904 Crore in Q2 FY'26 as against Rs 4,303 crore in Q2 FY'25. Operating Profit for Q2 FY'26 increased to Rs 7,227 crore and to Rs 14,308 crore for HY-1FY'26, recording growth of 5.5% and 6.5%, respectively on YoY basis. RoA improved to 1.05% in Q2 FY'26 from 1.02% in Q2 FY'25 and Net Interest Income increased to Rs 21,047 crore in HY1FY'26.

Date	Headline	Publication	Edition	Page	Source
Oct 21, 2025	PNB Expects \$1-b Hit in Transition to New Provisioning Regime	The Economic Times	4 Editions	10	Reuters

BANK WILL MANAGE WITH INTERNAL ACCRUALS: CEO PNB Expects \$1-b Hit in Transition to New Provisioning Regime

Reuters

Mumbai: Punjab National Bank (PNB) will face an estimated ₹9,000 crore (\$1.03 billion) impact as the lender transitions to a central bank-mandated credit loss framework by 2031, its chief executive said on Monday.

The country's third-largest state-owned lender by market capitalisation is one of the first to disclose an estimate on the likely effect of the rules, issued by the Reserve Bank of India earlier this month, to its balance sheet.

"The impact comes to around 90 billion rupees," said Ashok Chandra, PNB's managing director and CEO in an interview with Reuters. "The bank has done a rough estimate as this (new credit rules) was already in the pipeline... I don't see any further deviation."

The RBI's draft guidelines require banks to transition to an expected credit loss (ECL) framework, wherein funds are set aside to cover likely risk of default, over a five-year period starting April 1, 2027. At present, provisions for bad loans are made when a loan becomes overdue.

Top Indian banks, including the State Bank of India, are in the process of evaluating the impact from the transition.

As per internal estimates, Chandra said, the New Delhi-based bank will face an impact of around 0.85 percentage points to its capital to



risk assets ratio (CRAR), a metric that measures bank's capital adequacy.

PNB's CRAR was at 17.19%, as on September 30, according to the company's presentation. As per RBI's latest financial stability report, Indian commercial banks had a CRAR of 17.3% at March-end. The impact will be offset by the profit generated from the bank's operations in the normal course, said Chandra.

"I think we will be able to manage with our internal accrual itself. Bank is well poised to take care of all requirements which is going to come in future."

For PNB, a majority of these provisions will be for stage-two assets in its retail, agriculture and small and medium enterprises portfolios, Chandra said.

Stage-two assets refer to high-risk loans where the borrower has missed a repayment deadline but has not turned into a non-performing asset.

Date	Headline	Publication	Edition	Page	Source
Oct 23, 2025	'PNB aims to achieve Rs 4 trn corporate loan book in FY26'	Business Standard	5Editions	1	Reuters

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'PNB aims to achieve ₹4 trn corporate loan book in FY26'



Punjab National Bank's MD & CEO **Ashok Chandra** talks to **Harsh Kumar** about the bank's aim to achieve ₹4 trn corporate loan book in FY26. "In H1FY26, we have already sanctioned ₹2.81 trillion," he says.

PNB looks to achieve ₹4 trn corporate loan book in FY26: MD & CEO

QA Punjab National Bank (PNB) is witnessing strong momentum across retail, SME, small and medium enterprises (SMEs), and corporate loan segments. It is also witnessing growth in the credit card base, and re-emerging the PNB as a bank with plans to re-emerge in the credit card space. **Ashok Chandra**, Managing Director and Chief Executive Officer, in an interview with **Harsh Kumar** in New Delhi, talked about the bank's strategy.

How is PNB's total loan segment doing, especially after goods and services tax (GST) rate cut?

■ We are seeing strong growth, especially in the auto sector, which is significantly contributing to our business portfolio.

From August 2024, last year till I visit this year, we have witnessed nearly 50 per cent growth in this segment during the same period. The business has responded very positively to the GST rate cut. We expect further momentum in retail lending following the recent GST rate cut.

How do you see growth in the SME

sector?

■ As of now, we are not seeing any major impact from the GST rate cut in the SME segment.

We expect around 10-15 per cent year-on-year FY-26 growth in this segment. Our overall export exposure for the FY26 is around ₹1.5 lakh crore, which is not a large portion of our total SME loan book, and most of these accounts are under stress. We are regularly seeing write-offs in SME accounts.

However, in aggregate, we have achieved 10 per cent growth in the second quarter, with a special focus on self-help groups (SHGs).

How is PNB approaching unsecured lending?

■ Our screen and lending portfolio comprises personal loans, education loans, and credit cards. Personal loans are concentrated only in the credit card base, which is not a large portion of our total loan book. We are focusing on the credit card base for unsecured lending. We are also focusing on the credit card base as part of our digital transformation.

By February 15, we will make complete online onboarding. Earlier, we have about 80,000 credit card customers, and we are working towards 10 lakh by the end of FY26. We have the centralised credit card financing system. Within three months, we have built a portfolio of around 12,000 crore, and we plan to make this up to 10,000 crore by FY26. We have tied up with leading manufacturing companies to finance their dealers.

How is PNB working on R&D deposits



What is the overall export exposure to the US market? STANDS AT AROUND ₹4,000 CRORE, WHICH IS NOT A LARGE PORTION OF OUR TOTAL SME BOOK, AND NONE OF THESE ACCOUNTS ARE UNDER STRESS.

and overseas portfolio?

■ We have received approvals from the

RBI to ramp up our presence in the US market, which was done in 2018. That is a key to the bank's strategy to ramp up its presence in the US market. In the next two and a half months, we will apply to the Central Bank of the USA for operational approval.

There is a strong potential in the segment. Our CEO City operations are also doing well, and we are 100 per cent subsidiary in our operations in the US market. Overall, we expect 10-15 per cent growth in our overseas portfolio.

What are your recent expectations for this year?

■ During the second quarter, we achieved a record credit growth rate. Our revenue target for FY26 is ₹1,000 crore, and we expect ₹1,300 crore in Q4 itself.

We are confident of achieving our overall credit growth of around 12-15 per

cent in FY26.

What is the outlook for the corporate loan book?

■ We currently have new proposals worth ₹1.5 lakh crore in the pipeline. So far, we have already sanctioned ₹1.5 lakh crore in FY26 and in the first half of FY26, we have already sanctioned around ₹1.5 lakh crore in the corporate loan portfolio.

For FY26, we expect to reach ₹1.5 lakh crore.

What steps are being taken to improve customer grievance redressal?

■ We have deployed a QR-based review system managed centrally at the head office, which has received very positive response. To get feedback directly from the ground, I personally conduct multiple roundtable discussions. This initiative has helped us identify pain points in our business and customer satisfaction.

Date	Headline	Publication	Edition	Page	Source
Oct 20, 2025	PNB expects GST rate cut to boost credit growth for retail, MSME, says Ashok Chandra	The Hindu Business Line	7 Editions	1	Bureau

PNB expects GST rate cut to boost credit growth for retail, MSME, says Ashok Chandra

bl.interview

Shishir Sinha
New Delhi

Ashok Chandra, Managing Director and Chief Executive Officer of Punjab National Bank (PNB), expects the GST rate reduction to boost advances in the retail and MSME sectors between 1 and 2 per cent. He said he hopes the net interest margin will improve in the ongoing and next quarter of the current fiscal.

Edited excerpts:

You have projected credit growth of 11-12 per cent and deposit growth of 9-10 per cent. There is a gap of around 2 per cent. How will you fill this gap?

In retail, agri and MSME, we were growing before the GST cut, and post-cut, we expect further growth of 1-2 per cent in the retail and MSME segments; at least 1 per cent to 2 per cent further growth will happen in the system. The challenge was in the corporate loan book. Last quarter, the corporate loan book was growing at 3-4 per cent, while this quarter, it is 7.9 per cent. And q-o-q, the corporate loan book has grown 3 per cent.

In the last conference, after the June results, I had said that ₹1.36 lakh crore of sanctions are in the book, for which the disbursements are going to happen. Now, that book has become ₹1.78 lakh crore.

In the whole of last year, whatever total sanctions we had done, this year, we have done in six months. I have another six months to go,



Renewable energy is one of the areas and a champion sector for our bank. We are growing very fast in that area

ASHOK CHANDRA
Managing Director and CEO,
Punjab National Bank



and this is why I am talking about ₹1.78 lakh crore.

These are not proposals in the pipeline. These are sanctions, and I am expecting disbursements to happen. In this book, we have 40 per cent project loans. PNB, at one point in time, was very active in the project loan financing segment in the country. We want to regain that space, putting a lot of focus on good quality project loans. Considering disbursement of these sanctions in the coming quarters and year, I expect Q3 corporate loans to touch between 8 and 9 per cent; in Q4, growth should be in double-digits. This is expected to take the credit growth to 11-12 per cent in FY26.

What about funds?

Funds are available. There is enough liquidity in the system. We could have grown easily by 12 to 13 per cent in deposits. Under deposits, there is a component of bulk deposits and CD (Certificate of Deposit).

We are out of the bulk deposit and CD market. In terms of CD, the total deposit which we had in December 2024 was 76,000 crore. Today, we are at 43,800 crore. In the September quarter of last fiscal, we

were at 77,000 crore of CD. We have reduced the dependency on CD and bulk deposits, which comes at a very high price and are very fluctuating also.

In the retail term deposit, we have built up around ₹35,000 crore this financial year. CASA is a concern, and we have not harnessed the full potential. We have grown at 4.7 per cent on yearly basis and 2.6 per cent on quarterly basis.

The bank has revamped the entire CASA product range, and in the revamped scheme, we have mobilised 27 lakh new accounts with ₹18,000 crore of deposits under SB individual, the new scheme. With all those things put together, we have grown at 10 per cent. Deposit is not an issue. We have a cushion for the extra. The SLR is also there and against that also we have the cushion to do the borrowing.

Keeping this in mind, if my credit growth happens and deposit is required, definitely we will be in the market and raise the deposit.

Which are the key sectors you are looking at for project financing? Renewable energy is one of the areas and a champion sector for our bank. We are

growing very fast in that area. The exposure there has surged to ₹20,000 crore from ₹14,000 crore last September. Apart from this, we have got proposals from steel, food process and telecom.

We are already in road and power. Other than these, we have data centres, which are coming up very well in India, and we have made inroads in that area. We have good exposure to InvIT and REIT now.

This year, we saw a policy interest rate reduction of 100 basis points. And now if I go by your cost of funds, it has not seen much reduction. What could be the reason?

In case of deposits, impact of rate reduction comes at a lag. Many of our deposits were one year and above, and we had one 400 days special deposit scheme, where the rate of interest was 7.25 per cent (7.75 per cent for senior citizens). Now, all those deposits are maturing and then it goes for renewal and presently we are paying at 6.4 per cent. We will be able to see the real impact on the cost of deposit in Q3 and Q4, but with all those things, in June, our cost of deposit was 5.35 per cent, which has come down to 5.18 per cent.

Will this also have an impact on your net interest income as well as the net interest margin?

Definitely. I am expecting at least 5 to 7 basis points improvement to happen in the December quarter and 10 to 12 basis points improvement in Q4 because by that time, my entire deposit will get repriced.

Date	Headline	Publication	Edition	Page	Source
Oct 22, 2025	'NIM will rise by 10-15 bps by Q4'	The Financial Express	11 Editions	6	Bureau

● **ASHOK CHANDRA**, MANAGING DIRECTOR & CEO, PUNJAB NATIONAL BANK

'NIM will rise by 10-15 bps by Q4'

WITH GREEN SHOOTS in private capex and margin recovery after the rate cycle bottoming out, **Ashok Chandra**, MD & CEO, Punjab National Bank, tells **Mahesh Nayak** that he anticipates a 10-15 bps net interest margin (NIM) improvement by the fourth quarter. He sees GST cuts driving retail and MSME lending and expects a minimal impact from the expected credit loss (ECL) norms. Excerpts:

What is your view of the rising foreign acquisition in the banking sector?

The increasing foreign investment and consolidation like RBL Bank & YES Bank in the banking sector signify the resilience and robustness of the Indian economy and financial system. With the government allowing up to 74% FDI, the bank expects more foreign investors to show interest in the Indian market. Regarding the consolidation of PSU banks, so far there is nothing on cards and we haven't had any dialogue from the government.

What enabled the write-back in provisions this quarter?

For the past 6-7 quarters, PNB's recoveries have significantly outpaced slippages. This quarter saw a strong recovery of ₹3,900 crore, with ₹2,700 crore coming from gross NPAs, against slippages of only ₹1,900 crore. Technical write-offs totalled ₹830 crore. The bank's provision coverage ratio (PCR) rose to 96.91%, with over 90% for gross NPAs and overall 97%. Net NPAs fell to ₹4,026 crore from ₹4,132 crore last quarter. Despite ₹600 crore in fresh provisions,

higher write-backs created a negative provision element, which the bank strategically used to enhance profitability and capital, rather than increasing already high provisions. We expect credit costs to remain very low (full-year guidance below 0.5%) due to strong PCR, effective NPA management, and robust recovery.

What has been the reason for a decline in net interest income (NII) and NIM? NII saw a negligible drop of ₹90 crore from Q1 to Q2, primarily due to a 100 basis point repo rate cut, the benefit of which was passed on to customers as 49% of our assets are linked to EBLR. We expect NIMs to improve, anticipating a 5-7 basis point rise in Q3 and a 10-15 bps rise in Q4, as deposit repricing at lower rates takes full effect along with the reduced rates on term and savings deposits.

What's driving credit growth for PNB? Do you see any green shoots in corporate capex?

PNB's RAM portfolio showed strong growth with retail loans growing at 18.1%, vehicle loans at 30% despite limited GST impact, housing at 13%, agriculture at 13%, and MSME at 18.6%. Further 1-2% growth is expected in RAM due to GST cuts. Overall credit growth is 10.1%, partly due to slower corporate loan book growth in

earlier quarters. While corporate loans grew 7.9% this quarter, we are seeing a pick-up. Our sanctioned corporate loan book stands at ₹1.78 lakh crore (up from ₹1.36 lakh crore), with 20-45% allocated to project financing. This indicates a picking up of corporate demand, with PNB surpassing its FY24-25 sanctions in 6 months. While project financing disbursements take 1-2 years, we are confident of achieving its 11-12% credit growth guidance for the financial year and anticipate a strong corporate loan book in next 1-2 years.

Please share your views on the expected credit loss (ECL) norms.

We at PNB are well-prepared. Currently, stage 1 provisions

are already met, while stage 3 NPAs are largely covered by PNB's strong 97% PCR. The main impact is in stage 2. Rough calculations suggest an additional ₹9,000 crore provision needed, impacting CRAR by 85 bps. However, spread over five years, the annual impact is 15-16 bps. Given PNB's strong profitability (expected to be over ₹15,000 crore profit this year), ₹10,000-12,000 crore will be ploughed back into capital, making the bank well-positioned to absorb the ECL impact without major strain.

How is PNB responding to RBI allowing acquisition financing for Indian banks?

We are developing a policy and risk mitigation framework, prioritising deals that foster national interest, employment, and growth. The \$120-billion M&A market provides a significant opportunity and we will leverage our global presence and build expertise in this area.

What's the strategy adopted by PNB to grow its subsidiaries?

PNB sold a 10% stake in Canara Insurance (from 23% to 13%) to comply with regulations. The generated ₹957 crore will reflect in our Q3 quarterly income. All five of PNB's domestic and foreign subsidiaries (PNB Cards & Services, PNB ISL, PNB Gilts, PNB International (London) and Druk PNB Bank (Bhutan) are currently profitable and contributing positively, with plans to double their collective contribution within 1.5 years. Associates (PNB MetLife, PNB Housing and Everest Bank Nepal) and all eight RRBs are also posting profits.



OVERALL CREDIT GROWTH IS 10.1%, PARTLY DUE TO SLOWER CORPORATE LOAN BOOK GROWTH IN EARLIER QUARTERS