

To
The Board of Directors,
Punjab & Sind Bank
New Delhi

LIMITED REVIEW REPORT FOR THE QUARTER ENDED 30TH JUNE, 2014

We have reviewed the accompanying statement of unaudited financial results of Punjab & Sind Bank for the quarter ended 30th June, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Bank's Management and has been approved by the Board of Directors/ Committee of the Board of Directors. Our responsibility is to express a conclusion on these interim financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim financial information performed by the independent auditors 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 from material misstatement. A review is limited primarily to inquiries of Bank personnel's and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

The financial results incorporate the relevant returns of 20 branches reviewed by us, 467 branches reviewed by concurrent auditors specifically appointed for this purpose and unreviewed returns in respect of 871 branches. In the conduct of our Review, we have relied on the review reports in respect of non-performing assets and other areas received from concurrent auditors of 467 branches specially appointed for this purpose. These review reports cover 88.46 % of the advances portfolio of the Bank and 87.43% of Gross NPA as on June 30, 2014. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the Bank.

Based on our review as aforesaid and without qualifying our opinion, attention is invited to:-

- i) Note No.4 regarding adjustments required on account of non reconciliation of balances and clearance/ identification of outstanding items in respect of various accounts of income, expenditure, assets and liabilities, the impact of which is not ascertainable.
- ii) Non creation of Deferred Tax Asset of Rs.3.93 crore for the quarter ended 30.06.2014 (cumulative liability of Rs. 399.87 crore up to 30.06.2014) in respect of differences on account of variation in the value of investment as per books of accounts and for income tax computation considering the difference to be permanent

Capital Adequacy as per Basel-II, Basel-III, Earning Per Share and other ratios disclosed by the Bank is subject to adjustments arising out of the Notes on Accounts, Accounting Policies and our remarks in para (i) & (ii) above.



Note No.6 regarding deferment of pension and gratuity liability of the bank to the extent of Rs.129.51 crore, pursuant to the exemption granted by the Reserve Bank of India to the public sector banks from application of the provisions of Accounting Standard (AS) 15 (Revised), Employee Benefits vide its circular no. DBOD. BP.BC/80/21.04.018/2010-11 dated 09/02/2011 on Re-opening of Pension Option to Employees of Public Sector Banks and Enhancement in Gratuity Limits –Prudential Regulatory Treatment.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement 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.

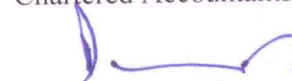
For R. M. Lall & Co.
Chartered Accountants



(R. P. Tewari)
Partner
M. No. 071448
FRN : 000932C



For O. P. Tulsyan & Co.
Chartered Accountants



(Dipesh Kumar Gupta)
Partner
M. No. 086824
FRN : 500028N



For B. K. Shroff & Co.
Chartered Accountants



(L. K. Shroff)
Partner
M. No. 060742
FRN : 302166E



For R. Kothari & Co.
Chartered Accountants



(Rajesh Kumar)
Partner
M. No. 090865
FRN : 307069E



Place: New Delhi

Dated: August 12, 2014

PUNJAB & SIND BANK

Head Office: 21, Rajendra Place, New Delhi 110 008

Reviewed Un-audited Financial Results for the Quarter ended 30th June, 2014

(Rupees in lacs)

Sl. No.	Particulars	QUARTER ENDED			YEAR ENDED 31.03.2014 Audited
		30.06.2014 Reviewed	31.03.2014 Audited	30.06.2013 Reviewed	
1	INTEREST EARNED (a+b+c+d)	213845	213606	187338	797271
	a).Interest/ discount on advances/bills	155380	157105	146025	597767
	b) Income on Investments	56190	52911	40776	188019
	c) Interest on Balances with RBI & Other Inter Bank Funds	2275	2711	537	8203
	d) Others	0	879	0	3282
2	Other Income	12484	12199	12138	42728
3	TOTAL INCOME (1+2)	226329	225805	199476	839999
4	Interest Expended	174352	175145	144701	635212
5	Operating Expenses (i)+(ii)	32219	30236	31348	124732
	i) Employees Cost	22284	19316	23403	85623
	ii) Other Operating Expenses	9935	10920	7945	39109
6	TOTAL EXPENDITURE (4+5) (excluding Provisions & Contingencies)	206571	205381	176049	759944
7	Operating Profit before Provisions & Contingencies (3-6)	19758	20424	23427	80055
8	Provisions (other than tax) and Contingencies	16325	24320	3826	55421
9	Exceptional Items	0	0	0	0
10	Profit (+)/ Loss (-) from Ordinary Activities before tax (7-8-9)	3433	-3896	19601	24634
11	Tax Expense	1290	-7481	7430	-5429
12	Net Profit (+)/ Loss (-) from Ordinary Activities after tax (10-11)	2143	3585	12171	30063
13	Extraordinary items (net of tax expense)	0	0	0	0
14	Net Profit (+)/ Loss (-) for the period (12-13)	2143	3585	12171	30063
15	Paid-up Equity Share Capital (Face Value Rs.10/-)	27528	27528	25402	27528
16	Reserves excluding Revaluation Reserve (as per Balance Sheet of previous accounting year)				370524
17	Analytical Ratios				
	(I). Percentage of shares held by Government of India	81.42	81.42	79.86	81.42
	(ii) Capital Adequacy Ratio: Basel-II	11.75	12.10	12.64	12.10
	Basel-III	10.70	11.04	11.67	11.04
	(iii) Earning per share (of Rs.10/- each) (Not Annualised) (Rs.)				
	(a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the previous year (not annualized)	0.78	0.46	4.79	10.69
	(b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualized)	0.78	0.46	4.79	10.69
	(iv) (a) Amount of Gross Non Performing Assets	301047	255352	175493	255352
	(b) Amount of Net Non Performing Assets	220063	191860	124562	191860
	(c) % of Gross NPAs	5.22	4.41	3.45	4.41
	(d) % of Net NPAs	3.87	3.35	2.47	3.35
	(v) Return on Assets (Annualised)	0.09	0.15	0.61	0.35
18	Public Shareholding:				
	No. of Shares	51152000	51152000	51152000	51152000
	Percentage of Shareholding	18.58	18.58	20.14	18.58



Sl. No.	Particulars	QUARTER ENDED			YEAR ENDED 31.03.2014 Audited
		30.06.2014 Reviewed	31.03.2014 Audited	30.06.2013 Reviewed	
19	Promoters and promoter group Share holding				
	(a) Pledged/ Encumbered				
	Number of shares	Nil	Nil	Nil	Nil
	Percentage of Shares (as a % of the total shareholding of promoter and promotor group)	Nil	Nil	Nil	Nil
	Percentage of Shares (as a % of the total share capital of the Bank)	Nil	Nil	Nil	Nil
	(b) Non-encumbered				
	Number of shares	224132212	224132212	202869189	224132212
	Percentage of Shares (as a % of the total shareholding of promoter and promotor group)	100.00	100.00	100.00	100.00
	Percentage of Shares (as a % of the total share capital of the Bank)	81.42	81.42	79.86	81.42

Segment Reporting:**A: BUSINESS SEGMENT:**

For the purpose of segment reporting in terms of AS-17 of ICAI and as prescribed in RBI guidelines, the business of the Bank has been classified into four segments i.e. a) Treasury Operations b) Corporate/wholesale Banking, c) Retail Banking and d) Other Banking Operations. Segmental Revenue, Results, Assets & Liabilities in respect of Corporate / Wholesale and Retail Banking segment have been bifurcated on the basis of exposure to these segments. Assets and Liabilities, wherever directly related to segments have been accordingly allocated to segments and wherever not directly related have been allocated on the basis of pro-rata segment revenue.

(Rupees in lacs)

Particulars	Quarter ended			Year ended
	30.06.14 (Reviewed)	31.03.14 (Audited)	30.06.13 (Reviewed)	31.03.14 (Audited)
1. Segment Revenue				
a) Treasury	62241	55303	47221	200556
b) Corporate/ Wholesale Banking	122476	119918	114528	476456
c) Retail Banking	41578	50554	37724	162868
d) Other Banking Operations	34	30	3	119
Total	226329	225805	199476	839999
2. Segment Result				
a) Treasury	4653	-290	5241	1429
b) Corporate/ Wholesale Banking	18808	18872	25644	83591
c) Retail Banking	6385	8188	8447	28575
d) Other Banking Operations	34	30	3	119
Total	29880	26800	39335	113714
3. Unallocated Expenses	10122	6376	15908	33659
4. Operating Profit	19758	20424	23427	80055
5. Provisions & Contingencies	16325	24320	3826	55421
6. Income Tax	1290	-7481	7430	-5429



Particulars	Quarter ended			Year ended
	30.06.14 (Reviewed)	31.03.14 (Audited)	30.06.13 (Reviewed)	31.03.14 (Audited)
7. Extra Ordinary Profit/ Loss	0	0	0	0
8. Net Profit	2143	3585	12171	30063
Other Information:				
9. Segment Assets				
a) Treasury	2745221	2884926	2335686	2884926
b) Corporate/ Wholesale Banking	4674382	4841480	4208657	4841480
c) Retail Banking	1586830	1654968	1386290	1654968
d) Other Banking Operations	0	0	0	0
e) Unallocated Assets	69307	69541	60013	69541
Total Assets	9075740	9450915	7990646	9450915
10. Segment Liabilities				
a) Treasury	2610566	2746402	2201582	2746402
b) Corporate/ Wholesale Banking	4445100	4609010	3967016	4609010
c) Retail Banking	1508995	1575503	1306697	1575503
d) Other Banking Operations	0	0	0	0
e) Unallocated Liabilities	8963	18872	43311	18872
Total Liabilities	8573624	8949787	7518606	8949787

B: GEOGRAPHIC SEGMENT:

Since the Bank does not have any overseas branch, reporting under Geographic Segment is not applicable.

NOTES FORMING PART OF THE LIMITED REVIEW:

- The above results have been taken on record by the Board of Directors at the meeting held on August 12, 2014 and have been reviewed by the Statutory Central Auditors.
- During the period under review, there is no change in the Accounting Policy of the Bank.
- Bank has created MAT Assets of Rs.48.11 crore during the quarter aggregating to Rs.234.65 crore in terms of ICAI guidance note on Accounting for credit available in respect of minimum alternative tax (MAT) under the Income Tax Act, 1961.
- Steps are in progress for reconciliation of entries under inter-branch/ inter-bank transactions, nominal accounts and old entries, the impact of which is not ascertainable and in the opinion of the management; the consequential impact thereof on revenue is not material. However, provision there against has been made as per RBI guidelines.
- The working Results have been arrived at after considering provisions for Non-Performing Assets, Standard Assets, Amortization of premium relating to Investment under 'Held to Maturity' category, Depreciation on Investments and Diminution in respect of Restructured Accounts as per RBI norms. Provision for Depreciation on Fixed Assets, applicable taxes and other usual & necessary provisions have been made on estimated basis, which are subject to adjustment, if any, at the year end.

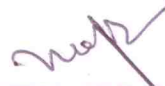


6. In accordance with the Reserve Bank of India Circular No DBOD.BP.BC.80/21.04.018/2010-11 dated 09.02.2011, necessary provision have been made for terminal benefits:
- A sum of Rs.36.53 crore has been charged to Profit and Loss Account during the quarter on proportionate basis towards outstanding un-amortized liability of Rs.146.12 crore as on 31.03.2014 (being amortized over five years beginning from 31st March 2011) on account of reopening of pension option for existing employees, who had not opted for pension earlier. The balance amount Rs.109.59 crore will be dealt with as per guidelines of Reserve Bank of India.
 - A sum of Rs.6.65 crore has been charged to Profit & Loss Account during the quarter on proportionate basis towards outstanding unamortized liability of Rs.26.57 crore as on 31.03.2014 (being amortized over five years beginning from 31st March 2011) on account of the enhancement of Gratuity limit. The balance amount of Rs.19.92 crore will be dealt with as per guidelines of Reserve Bank of India.
7. Bank has provided Rs.29.04 crore on estimated basis towards wage revision during the quarter aggregating Rs.193.63 crore up to 30.06.2014.
8. The figures of previous period have been regrouped and reclassified wherever necessary in order to make them comparable with the figures of the current period.
9. Details of Investors complaint for the quarter ended 30.06.2014:

Beginning	Received	Disposed off	Lying unresolved
Nil	5	4	1


JATINDERBIR SINGH
 CHAIRMAN & MG. DIRECTOR


KISHORE KUMAR SANSE
 EXECUTIVE DIRECTOR


MUKESH KUMAR JAIN
 EXECUTIVE DIRECTOR


PRADIPTA K JENA
 DIRECTOR


SUKHEN PAL BABUTA
 DIRECTOR


SURINDER PAL SINGH VIRK
 DIRECTOR


ANITA KARNAVAR
 DIRECTOR





M. S. SARANG
DIRECTOR



G.S. SACHDEVA
CHIEF GEN. MANAGER



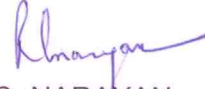
I.S. BHATIA
GENERAL MANAGER



DEEPAK MAINI
GENERAL MANAGER



G.S. DHALL
GENERAL MANAGER



R.C. NARAYAN
GENERAL MANAGER



D.D. SHARMA
GENERAL MANAGER

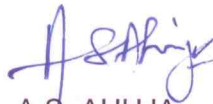
V. K. MEHROTRA
ASST. GEN. MANAGER



R.P.S. KHURANA
GENERAL MANAGER



V.K. MEHROTRA
ASSTT. GEN.MANAGER



A.S. AHUJA
CHIEF MANAGER

For R. M. Lall & Co.
Chartered Accountants



(R. P. Tewari)
Partner
M. No. 071448
FRN : 000932C



For O. P. Tulsyan & Co.
Chartered Accountants



(Dinesh Kumar Gupta)
Partner
M. No. 086824
FRN : 500028N



For B. K. Shroff & Co.
Chartered Accountants

L. K. Shroff

(L. K. Shroff)
Partner
M. No. 060742
FRN : 302166E



For R. Kothari & Co.
Chartered Accountants

Rajesh Kumar

(Rajesh Kumar)
Partner
M. No. 090865
FRN : 307069E



Place: New Delhi
Dated: August 12, 2014