

**PUNJAB NATIONAL BANK, HONG KONG BRANCH**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**I. Profit and Loss Account**  
**For the year ended 31 March 2020**

	<u>31.3.2020</u>		<u>31.3.2019</u>
	(HK \$'000)		(HK \$'000)
<b>INCOME</b>			
Interest income	765,298		947,550
Interest Expense	<u>(650,327)</u>		<u>(889,931)</u>
Net interest income	114,971		57,619
<b>Other Operating Income</b>			
Gross fees and commission income(Expenses-Nil)	16,640		64,179
Gains less losses from dealing in foreign currencies	(20,026)		-
Gains less losses from trading in securities	29,887		11,919
Others	-		-
<b>Total Operating Income</b>	<u>141,472</u>		<u>133,717</u>
<b>EXPENSES</b>			
<b>Operating Expenses</b>			
Staff expenses	9,328		9,623
Rent, taxes and lighting	3,273		3,377
Other expenses	<u>12,826</u>	<u>25,427</u>	<u>6,768</u>
			<u>19,768</u>
Operating Profit before Impairment Losses		116,045	113,949
Impairment losses and provisions for impaired loans and receivables			
- Collective Provision	(45,605)		32,353
- Specific Provision	<u>(17,220)</u>	<u>(62,825)</u>	<u>(404,359)</u>
			<u>(372,006)</u>
<b>Profit (Loss) before Taxation</b>		53,220	(258,057)
<b>Taxation Expense</b>		(388)	13,495
<b>Profit (Loss) after Taxation</b>		<u>52,832</u>	<u>(244,562)</u>



**PUNJAB NATIONAL BANK, HONG KONG BRANCH**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**ii. Balance Sheet**

For the year ended 31 March 2020

	31.3.2020 (HK\$'000)	30.9.2019 (HK\$'000)
<b>ASSETS</b>		
1 Cash and balances with banks	614,355	6,523,491
2 Placement with banks maturing between one and twelve months	2,451,093	4,894,443
3 Amount due from overseas offices	18	89
4 Trade Bills	162,240	445,287
5 Loans and Receivables		
Advances to customers	13,576,610	12,682,858
Advances to banks		
Accrued interest and other accou	278,978	324,234
Provision for impaired loans and receivables		
collective	(149,105)	(165,192)
specific	(216,954)	(173,879)
6 Investment Securities	4,874,812	4,714,562
7 Property, plant and equipment	238	172
<b>Total Assets</b>	<b>21,592,285</b>	<b>29,246,065</b>
<b>LIABILITIES</b>		
8 Deposits and balances of banks	14,334,241	23,877,861
9 Deposits from customers		
Demand deposits and current a	53,802	41,329
Savings deposits	9,476	10,164
Time, call and notice deposits	86,610	109,820
Amount due to overseas offices	7,058,416	5,145,175
11 Negotiable Debt Instruments	-	-
12 Other liabilities	49,740	61,716
13 Other Provisions	-	-
<b>Total Liabilities</b>	<b>21,592,285</b>	<b>29,246,065</b>



**PUNJAB NATIONAL BANK, HONG KONG BRANCH**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information**

**1. Impaired Loans and Advances**

There were no impaired loans and advances to banks and other financial institutions as at 31st March 2020 and 30th September 2019.

There were impaired loans and advances to other customers to the extent of HK\$ 145.518 Million as at 31st March 2020 and HK\$ 154.528 Million as at 30th September 2019.

	<u>31.3.2020</u>	<u>30.9.2019</u>
	HK\$ '000	HK\$ '000
<b><u>2. Derivatives</u></b>		
a) Notional Amount		
i) Exchange rate contracts	-	-
ii) Interest rate contracts	-	-
TOTAL	<u>-</u>	<u>-</u>
b) Fair Value of Derivative contracts (Gross)		
i) Exchange rate contracts	-	-
ii) Interest rate contracts	-	-
TOTAL	<u>-</u>	<u>-</u>

There are no bilateral netting arrangements and hence there is no effect on the fair value of the derivatives.

**3. Off Balance Sheet Exposure other than derivative transactions**

	<u>31.3.2020</u>	<u>30.9.2019</u>
	HK\$ '000	HK\$ '000
Notional Amount		
i) Direct credit substitutes	-	-
ii) Trade related contingent items	128,852	34,703
iii) Other Commitments	-	-
TOTAL	<u>128,852</u>	<u>34,703</u>



**PUNJAB NATIONAL BANK, HONG KONG BRANCH**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**iii. Additional Information - continued**

**4. INTERNATIONAL CLAIMS**

	31st March 2020					
	Banks	Official Sector	Non-Bank Private Sector		Others	Total
			Non-Bank Financial Institutions	Non-Financial Private Sector		
HK \$ Million						
1 Developed Countries	1,616	873	-	-	186	2,675
of which Unites States	540	873	-	-	-	1,413
of which United Kingdom	1,075	-	-	-	58	1,133
2 Offshore Centres	564	21	-	-	1,445	2,030
of which Singapore	-	-	-	-	47	47
of which Hong Kong	564	21	-	-	756	1,341
of which Mauritius	-	-	-	-	642	642
3 Developing Europe	-	-	-	-	-	-
Developing Latin America &	-	-	-	-	-	-
4 Carribean	-	-	-	-	-	-
5 Developing Africa & Middle East	3,082	-	-	-	1,217	4,299
of which UAE	2,849	-	-	-	1,217	4,066
of which Oman	-	-	-	-	-	-
6 Developing Asia-Pacific	859	4	1,505	9,913	461	12,742
Of which India	820	-	1,505	9,500	461	12,286
Of which China	-	4	-	-	-	4
Of which Srilanka	-	-	-	-	-	-
7 International Organisations	-	-	-	-	-	-
8 Unallocated by Country	-	-	-	-	-	-
	<b>6,121</b>	<b>898</b>	<b>1,505</b>	<b>12,761</b>	<b>461</b>	<b>21,746</b>

	30th September 2019					
	Banks	Official Sector	Non-Bank Private Sector		Others	Total
			Non-Bank Financial Institutions	Non-Financial Private Sector		
HK \$ Million						
1 Developed Countries	574	701	-	-	525	1,800
of which Unites States	447	701	-	-	-	1,148
of which United Kingdom	124	-	-	-	341	465
2 Offshore Centres	72	150	-	-	2,782	3,004
of which Singapore	-	-	-	-	141	141
of which Hong Kong	72	150	-	-	1,987	2,209
of which Mauritius	-	-	-	-	654	654
3 Developing Europe	-	-	-	-	-	-
Developing Latin America &	-	-	-	-	-	-
4 Carribean	-	-	-	-	-	-
5 Developing Africa & Middle East	154	-	-	-	168	322
of which UAE	-	-	-	-	168	168
of which Oman	154	-	-	-	-	154
6 Developing Asia-Pacific	13,719	4	1,490	9,082	-	24,295
Of which India	7,666	-	1,490	8,655	-	17,811
Of which China	6,053	4	-	-	-	6,057
Of which Srilanka	-	-	-	206	-	206
7 International Organisations	-	-	-	-	-	-
8 Unallocated by Country	-	-	-	-	-	-
	<b>14,519</b>	<b>855</b>	<b>1,490</b>	<b>12,557</b>	<b>-</b>	<b>29,421</b>

International claims are derived according to the location of counter parties on which the ultimate risk lies after taking into account any transfer of risk.



**PUNJAB NATIONAL BANK, HONG KONG BRANCH**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information - continued**

**5. Advances to customers**

	31.3.2020 HK\$ ('000)	30.9.2019 HK\$ ('000)
<b>i) By Sectors</b>		
<u>Loans for use in Hong Kong</u>		
a) Industrial, commercial & financial		
Wholesale and retail trade	614,119	1,576,546
b) Individuals		
For other* business purposes	-	-
For other* private purposes	-	-
c) Others		
Trade Financing	22,112	29,861
<u>Loans for use outside Hong Kong</u>	12,940,379	11,076,451
<b>TOTAL **</b>	<b>13,576,610</b>	<b>12,682,858</b>

\* Other than for purchase of residential properties or credit card advances

\*\*The total loans are covered by collateral or other security to the extent of and HK \$ 3,185.414 Million as at 31th March 2020 and HK \$ 3,017.586 Million as at 30th September 2019.

**ii) By Geographical Areas**

Hong Kong	742,656 *	1,606,407
India	11,451,294 **	9,248,830
Others	1,382,660 ***	1,827,621
<b>TOTAL</b>	<b>13,576,610</b>	<b>12,682,858</b>

\* Out of the loans to Hong Kong HK\$ 22,111('000s) as on 31st March 2020 and HK\$ 12,880('000s) as on 30th September 2019 are impaired.

\*\* Out of the loans to India HK\$ 35,568 ('000s) as on 31st March 2020 and HK\$ 119,183 ('000s) as on 30th September 2019 are impaired.

\*\*\* Out of the loans to others HK\$ 87,838('000s) as on 31st March 2020 and HK\$ 22,465('000s) as on 30th September 2019 are impaired.

Geographical locations are based on the physical location of the borrower. Risk transfer is only made if the claim is guaranteed by a party in a country which is different from the counterparty.



**PUNJAB NATIONAL BANK, HONG KONG BRANCH**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information - continued**

**6. Overdue and Rescheduled Assets of Customers**

**Overdue Loans and Advance to customers**

	31.3.2020 (HK\$'000)				30.9.2019 (HK\$'000)			
	Amount	% of total loans & advances to customer	Collateral held	Specific provision made	Amount	% of total loans & advances to customer	Collateral held	Specific provision made
More than 3 months but not more than 6 months	35,565	0.26			6,321	0.05	-	77,045
More than 6 months but not more than one year	4,740	0.03		216,954	6,545	0.05		
More than one year	82,982	0.61			82,432	0.65		

There were other assets overdue for more than 3 months HK\$ 110,681 (000's) as on 31st March 2020 and HK\$ 120,651 (000's) as on 30th September 2019.

There were no rescheduled advances as at 31st March 2020 and 30th September 2019.

There were no repossessed assets as at 31st March 2020 and 30th September 2019.

**7. Overdue and Rescheduled Assets to banks and other Financial Institutions**

There were no advances to banks overdue for more than 3 months as at 31st March 2020 and 30th September 2019.

There were no other assets overdue for more than 3 months as at 31st March 2020 and 30th September 2019.

There were no rescheduled advances as at as at 31st March 2020 and 30th September 2019.

There were no repossessed assets as at 31st March 2020 and 30th September 2019.



**PUNJAB NATIONAL BANK, HONG KONG**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information - continued**

**7 Non-bank Mainland Activities**

<u>Type of counterparties</u>	<u>31.3.2020</u> (HK\$'000)			<u>30.9.2019</u> (HK\$'000)		
	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	3,870	-	3,870	3,912	-	3,912
2 Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-	-	-	-
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-	-	-	-
4 Other entities of central government not reported in item 1 above	-	-	-	-	-	-
5 Other entities of local governments not reported in item 2 above	-	-	-	-	-	-
6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-	-	-	-
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-	-	-	-
<b>Total</b>	<b>3,870</b>	<b>-</b>	<b>3,870</b>	<b>3,912</b>	<b>-</b>	<b>3,912</b>
Total assets after provision	21,592,285			29,246,065		
On-balance sheet exposures as percentage of total assets	0.02%			0.01%		



**PUNJAB NATIONAL BANK, HONG KONG**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information - continued**

**9. Foreign Currency Exposure**

The position in a particular currency will be reported if the net position (in absolute terms) constitutes 10% or more of the total net position in all foreign currencies.

	<b>31.3.2020</b>				<b>Total</b>
	<b>(HK\$ Million)</b>				
	<b>US\$</b>	<b>GBP</b>	<b>JPY</b>	<b>EURO</b>	
Spot assets	21,559	2	1	376	21,938
Spot liabilities	(20,984)	-	(300)	(3)	(21,287)
Forward purchases	575	-	285	105	965
Forward sales	(402)	10	-	(379)	(771)
Net options	-	(8)	-	-	(8)
Net long (short) position	<u>748</u>	<u>4</u>	<u>(14)</u>	<u>99</u>	<u>837</u>

	<b>30.9.2019</b>				<b>Total</b>
	<b>(HK\$ Million)</b>				
	<b>US\$</b>	<b>GBP</b>	<b>JPY</b>	<b>EURO</b>	
Spot assets	29,039	2	1	380	29,422
Spot liabilities	(28,424)	-	(343)	(6)	(28,773)
Forward purchases	565	0	328	107	1,000
Forward sales	(446)	(10)	-	(377)	(833)
Net options	-	-	-	-	-
Net long (short) position	<u>734</u>	<u>(8)</u>	<u>(14)</u>	<u>104</u>	<u>816</u>

There is no net structural position constituting 10% or more of the total net structural position in all foreign currencies as at 31st March 2020 and 30th September 2019.





**PUNJAB NATIONAL BANK, HONG KONG**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information - continued**

**9. Liquidity**

Six Months ended 31.03.2020	Six Months ended 30.9.2019
386.80%	489.64%

Average Liquidity Maintenance Ratio is calculated as the simple average of each month's average liquidity ratio for the Six months of the financial year computed in accordance with Banking Liquidity Rules.

Three Months ended 31.03.2020	Three Months ended 31.12.2019	Three Months ended 30.9.2019	Three Months ended 30.06.2019
127.44%	636.16%	479.85%	499.42%

**Average Liquidity Maintenance Ratio**

Average Liquidity Maintenance Ratio is calculated as the simple average of each month's average liquidity ratio for the three months of the quarter computed in accordance with Banking Liquidity Rules.

**Liquidity Risk Management Framework**

The Liquidity risk management of Punjab National Bank (PNB), Hong Kong Branch is part of the PNB Group's risk management processes. The objective of liquidity risk management is to ensure that there are sufficient funds to meet contractual and regulatory financial obligations and to undertake new transactions. Liquidity risk management is a component of the PNB HK Branch's asset and liability management framework. The liquidity risk management frame comprises of the following:

- Roles and responsibilities, organizational structure for oversight and communications of the PNB's liquidity risk management;
- Operational liquidity risk management;
- Periodic reporting of liquidity positions
  - Managing funding sources and access to markets and
  - Liquidity contingency plan that establishes indicators to alert senior management to potential liquidity and funding problems.

The Hong Kong Asset and Liability Committee ("ALCO") comprising key members from local management and Treasury, conducts meeting on a regular basis to review the daily liquidity reports and deliberate important liquidity risk management matters.

The PNB Branch's liquidity management framework is supported by key liquidity measures, which are monitored on an on-going basis. These measures further serve as early warning indicators ("EWI") to alert senior management of potential liquidity and funding distress situations and trigger management actions in response to the event. The EWIs are designed taking into consideration the Branch's funding profile as well as the market conditions, and are calibrated to differentiate the various level of severity in liquidity shortfall. The EWIs are monitored regularly and discussed at the ALCO. These triggers may also be alerted on an exceptional basis.



**PUNJAB NATIONAL BANK, HONG KONG**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information - continued**

**Liquidity Monitoring**

PNB HK Branch manages the operational liquidity by cash flows on an individual currency basis by cash flow mismatch analysis under defined business scenarios.

Short-term liquidity stress tests are performed based on an institution-specific crisis scenario, a general market crisis scenario and a combined scenario. The results of the stress tests are used to adjust liquidity risk management strategies, policies and positions and to develop effective contingency funding plans.

Liquidity Monitoring is performed daily within a framework for projecting cash flows on a contractual basis. Simulations of liquidity exposures under stressed market scenarios are performed and the results are taken into account in the risk management process.

PNB HK Branch follows the applicable guidance set forth by the HKMA in Supervisory Policy Manual LM-2 "Sound Systems and Controls for Liquidity risk Management".

**Liquidity Reporting**

In-house systems and procedures are in place to meet the various reporting requirements. The systems include data from different sources with relevant mapping rules to generate internal and local regulatory reports. Daily cash flow mismatch reports are produced by using contractual cash flows in the balance sheets and placing them into appropriate time basis. The measurement and reporting of liquidity would be on a cumulative cash flow mismatch basis for each currency. The daily reporting regulatory reports for Liquidity Maintenance Ratio are prepared in accordance with the relevant reporting requirements.

**Funding Strategy**

The liquidity and funding positions of PNB HK Branch is centrally managed at Hong Kong. The Branch maintains a diverse range of funding sources. Apart from obtaining the funding from interbank markets funding, the non-bank customer deposits also form a part of the Branch's overall funding. In order to lengthen the duration of the funding, the Branch obtains intragroup funding at arm's length and borrowing in the money market.

**Contingency Planning**

The Contingency Funding Plan ("CFP") is a critical component of the liquidity management framework and serves as an extension of the PNB HK Branch's operational or daily management policy. A liquidity crisis can arise due to Market-driven and/or Firm-driven events. The Contingency Funding Plan is discussed in ALCO.



**PUNJAB NATIONAL BANK, HONG KONG BRANCH  
DISCLOSURE STATEMENT  
SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional information - continued**

**LIQUIDITY GAP**

The following maturity profile is based on the remaining period to repayment on a contractual maturity basis at the end of the reporting period.

As at 31st March 2020	Next day	2 to 7 days	8 days to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year and balancing Amount	Total
	HK\$ in Thousands							
<b>ASSETS</b>								
Cash and balances with central banks	19,201	-	-	-	-	-	-	19,201
Due from other banks	556,405	-	38,767	900,413	-	1,550,680	-	3,046,265
Acceptance and Bills	840	-	1,482	42,282	6,953	-	110,682	162,239
Loans and Receivables	-	-	956,933	635,596	825,017	5,973,495	5,185,570	13,576,611
Investment Securities	4,874,812	-	-	-	-	-	-	4,874,812
Other Assets	196,912	-	5,124	8,110	4,275	38,661	26,134	279,216
<b>Total of on-balance sheet items</b>	<b>5,648,170</b>	<b>-</b>	<b>1,002,306</b>	<b>1,586,401</b>	<b>836,245</b>	<b>7,562,836</b>	<b>5,322,386</b>	<b>21,958,344</b>
<b>Off balance sheet items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>								
Deposits from customers	64,375	-	2,195	16,427	30,057	36,750	85	149,889
Due to banks	167,230	43,542	1,729,008	2,933,287	8,630,392	1,549,313	5,931,859	20,984,631
Other liabilities	32,051	37	1,465	2,496	7,329	1,342	5,020	49,740
<b>Total of on-balance sheet items</b>	<b>263,656</b>	<b>43,579</b>	<b>1,732,668</b>	<b>2,952,210</b>	<b>8,667,778</b>	<b>1,587,405</b>	<b>5,936,964</b>	<b>21,184,260</b>
<b>Off balance sheet items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Contractual Maturity Mismatch	5,384,514	(43,579)	(730,362)	(1,365,809)	(7,831,533)	5,975,431	(614,578)	774,084
Contractual Cumulative Maturity Mismatch	5,384,514	5,340,935	4,610,573	3,244,764	(4,586,769)	1,388,662	774,084	

Positive indicates a position of surplus. Negative indicates a liquidity shortfall that has to be funded.



**PUNJAB NATIONAL BANK, HONG KONG BRANCH  
DISCLOSURE STATEMENT  
SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information - continued**

**1. LIQUIDITY GAP**

The following maturity profile is based on the remaining period to repayment on a contractual maturity basis at the end of the reporting period.

As at 31st March 2019	Next day	2 to 7 days	8 days to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Over 1 year and balancing Amount	Total
	HK\$ in Thousands							
<b>ASSETS</b>								
Cash and balances with central banks	9	-	-	-	-	-	-	9
Due from other banks	205,131	1,491,424	442,551	6,012,793	2,252,835	3,202,637	902,704	14,510,075
Acceptance and Bills	-	-	-	28,265	50,982	31,888	273,108	384,243
Loans and Receivables	-	-	2,622	12,417	25,484	1,547,253	8,135,861	9,723,637
Investment Securities	-	-	153,129	61,413	257,336	339,912	2,990,029	3,801,819
Other Assets	-	-	-	-	-	-	293,103	293,103
<b>Total of on-balance sheet items</b>	<b>205,140</b>	<b>1,491,424</b>	<b>598,302</b>	<b>6,114,888</b>	<b>2,586,637</b>	<b>5,121,690</b>	<b>12,594,805</b>	<b>28,712,886</b>
Off balance sheet items	-	-	-	-	-	-	-	-
<b>LIABILITIES</b>								
Deposits from customers	146,029	957	5,187	14,334	53,111	48,626	7,938	276,182
Due to banks	34,998	784,960	1,004,749	5,499,635	11,690,017	1,593,688	6,680,648	27,288,695
Other liabilities	-	-	-	-	-	-	111,514	111,514
<b>Total of on-balance sheet items</b>	<b>181,027</b>	<b>785,917</b>	<b>1,009,936</b>	<b>5,513,969</b>	<b>11,743,128</b>	<b>1,642,314</b>	<b>6,800,100</b>	<b>27,676,391</b>
Off balance sheet items	-	-	-	-	-	-	-	-
Contractual Maturity Mismatch	24,113	705,607	(411,634)	600,919	(9,156,491)	3,479,376	5,794,704	1,036,494
Contractual Cumulative Maturity Mismatch	-	729,620	317,986	918,905	(8,237,586)	(4,758,210)	1,036,495	-

Positive indicates a position of surplus. Negative indicates a liquidity shortfall that has to be funded.



**PUNJAB NATIONAL BANK, HONG KONG BRANCH**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information - continued**

**10. Remuneration Policy of the Branch**

**Pursuant to section 3 off CG 5 guideline on sound remuneration system issued by HKMA, the following disclosures are made:**

**a) The design and implementation of the remuneration system.**

Senior Management and the key personnel of the Branch are all Bank's Officers from India deputed to the Branch for a specified term .The Remuneration to them is a fixed amount and has no variable component. The amount of Remuneration to them is decided by an independent committee called 'Working Group of the Standing Committee' set up by the Government of India . The members of this Working Group are representatives of five Indian Public Sector banks Viz. Bank of India, Bank of Baroda, Indian Overseas Bank, Exim Bank of India and State Bank of India.The Working Group reviews the remuneration amount at periodical intervals.

**b) Aggregate quantitative information on remuneration for senior management and key personnel(Note) for the year ended 31st March 2020 are as follows:**

	HK\$	Number of Beneficiaries
Fixed Remuneration	346,084	2
Variable Remuneration	-	-
Deferred Remuneration	-	-
Total	<u>346,084</u>	<u>2</u>

No senior management or key personnel has been awarded with new sign-on or severance payment during the for the year ended 31st March 2020

Note: As advised in the CG 5- Guidelines on a sound remuneration system issued by HKMA, senior management personnel are those who are responsible for oversight of either the Bank's company-wise strategy or activities or those of the Bank's main business lines. Key personnel are individual employees whose duties or activities in the course of their employment involve the assumption of material risk or the taking on material exposure on behalf of the Bank.



**PUNJAB NATIONAL BANK, HONG KONG BRANCH**  
**DISCLOSURE STATEMENT**  
**SECTION A - BRANCH INFORMATION (HONG KONG ONLY)**

**III. Additional Information - continued**

**1. Capital and Capital Adequacy**

	<u>31.3.2020</u> HK\$('000s)	<u>31.3.2019</u> HK\$('000s)
<b><u>i) Capital</u></b>		
Shareholders' Funds	<u>63,898,069*</u>	<u>51,502,749**</u>

**ii) Capital Adequacy Ratio\*\*\***

<b>Basel III</b>	<u>14.14%</u>	<u>10.13%</u>
------------------	---------------	---------------

\*\*\*Capital Adequacy Ratio is calculated in accordance with the requirements of Reserve Bank of India.

**2. Other financial information**

Total Assets	851,188,056*	893,036,648**
Total Liabilities	787,289,987*	841,533,899**
Total Advances	483,484,535*	215,653,656**
Total Customer Deposits	<u>721,235,304*</u>	<u>500,470,201**</u>
	<u>Year ended</u> <u>31st March 2020</u>	<u>Year ended</u> <u>31st March 2019</u>
Pre-tax Profit (Loss)	<u>757,240</u>	<u>(16,845,858**)</u>

\*Indian Rupee converted to HK\$ @ 9.7589(31st March 2020)

\*\*Indian Rupee converted to HK\$ @ 8.838(31st March 2019)

**Declaration of Chief Executive**

We have prepared the financial disclosure statement of Punjab National Bank, Hong Kong Branch for the year ended 31st March 2020. The information disclosed complies fully with the Banking (Disclosure) Rules made by the Hong Kong Monetary Authority under Section 60A of the Banking Ordinance (Cap.155). To the best of my knowledge, the Disclosure Statement is not false or misleading.



Chief Executive  
Punjab National Bank  
Hong Kong

