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May 7, 2025

To,

BSE Limited, Department of Corporate Services, 25 th floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. SCRIP ID : PSB SCRIP CODE : 533295	National Stock Exchange of India Ltd., Exchange Plaza, C – 1, Block – G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. SYMBOL: PSB SERIES: EQ
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Dear Sir,

Reg: Transcript of the Earnings Call with Analysts/Investors on Audited Financial Results for Quarter & Financial Year ended 31st March, 2025.

With reference to above and pursuant to the applicable provisions of SEBI (LODR) Regulations, 2015, we enclose the transcript of post results Earnings conference call for the Quarter and Year ended March 31, 2025 held on April 30, 2025.

The transcript of the Earnings conference call is uploaded on Bank's website and the same can be accessed through below link:

https://punjabandsindbank.co.in/system/uploads/document/7803_2025050717564517325.pdf

This is for your information and records.

Yours faithfully

Saket Mehrotra
Company Secretary





“Punjab & Sind Bank Q4 FY-25 Earnings Conference Call”

April 30, 2025

MANAGEMENT: Shri Swarup Kumar Saha, Managing Director, and Chief Executive Officer

Shri Ravi Mehra Executive Director

Shri Rajeeva Executive Director

Shri. Arnab Goswamy, Chief Financial Officer

MODERATOR: Ms. Shilpa Abraham

Moderator: Good afternoon, ladies and gentlemen. I am Shilpa Abraham, the Moderator for today's Earnings Call. I welcome and thank each one of you for joining us today for the Punjab & Sind Bank Annual Earnings Call for FY 25. Please note that this conference is being recorded and all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the opening remarks by the management. Should you need any assistance during the conference call, please raise your hand on the Webex panel or press *3# on your phone. I repeat should you need any assistance during the conference call, please raise your hand on the Webex panel or press *3# on your phone. I would now like to introduce the management of Punjab & Sind Bank. We have with us today Shri Swarup Kumar Saha - Managing Director and Chief Executive Officer, Shri Ravi Mehra - Executive Director, Shri Rajeeva - Executive Director and Shri Arnab Goswamy - Chief Financial Officer.

I would now like to hand over the conference call to Shri Swarup Kumar Saha - MD and CEO of Punjab & Sind Bank for the opening remarks, after which we will have the forum open for the interactive Q & A session. Thank you and over to you, sir.

Mr. Swarup Kumar Saha: Yeah. Thank you, Shilpa. A very good evening to all of you and on behalf of Punjab & Sind Bank, we thank you all who have taken out your valuable time to attend this Con Call for the Bank's quarterly performance of financial year 24-25. The presentation and the press release has already been uploaded on the Stock Exchanges and Bank's website. Many of you may have seen the same as well, but just to set the context for today's meeting and the conference, I'd just like to mention some of the key highlights of the Bank's performance of FY 24-25. The business of the bank grew by 11.69% and stood at Rs.2,29,379 crores. Deposits showed an uptick of 8.68% and stood at Rs.1,29,774 crores. The advances growth was robust at 15.87% and just falling short of the 1 lakh figure at Rs.99,605 crores. The interesting point in this business performance is that the bank is now much more in the business growth-oriented path and we have touched the double digit business growth compared to the last year. In terms of the other performance parameters of the bank, the NII grew at 33.19% for the financial year. The operating profit was a very robust at Rs.2,075 crores for the entire financial year and it grew at 83.47%.

The net profit for the year was Rs.1,016 crores showing a growth of 70.76% and for the quarter the net profit was at Rs.313 crore showing a growth of 125.18%, the operating profit grew at 142.86% and stood at Rs.816 crore for the quarter. In terms of the efficiency parameters, the net interest margin for the financial year increased by 40 bps and stood at 2.85%. The cost-to-income ratio showed a significant dip of 1093 bps and has reduced to 61.23%. The return on assets was at an improved level of 0.67% for the financial year. In terms of the asset quality, the Gross NPA has reduced by 205 bps for the financial year and stood at 3.38%. The Net NPA has gone down to below 1%, which was as per our guidance, has touched 0.96% for March 25. The provision coverage ratio also has shown an uptick and it increased by 269 bps and has increased to 91.38% as per the guidance given by us.

I would like to mention that during our past calls we had given a guidance that the deposit growth would be between 8 to 10%, we were able to maintain that at 8.68%. For advances growth we have given a guidance of 10% to 12%, the advances growth stood at 15.87%. The RAM percentage we had given a guidance of 56%, we just fell short of it at 55.15%, we will make up for the small differential that is there. In terms of the Gross NPA, we had given a guidance to be below 4.5% by the end of March, the same stands at 3.38%. For Net NPA, we had given a guidance of below 1.5% which stands at 0.96%. The PCR guidance was between 89% to 90%, which stands at 91.38%. So, we have been able to meet all the guidance parameters. For recovery & upgradation also the guidance was to achieve more than Rs.1,000 crores, we have achieved Rs.1,738 crores of recovery & upgradation. Of course, this is because of one of the big resolution that has happened by a transfer of an asset to NARCL, which the industry all knows about.

The credit cost guidance was below 1% and we are at 0.20%. We were able to achieve it comfortably. The slippage ratio guidance was given at less than 1.25% and we are just below 1% for the financial year. So, overall, the performance of the bank has shown a much improved level. The overall business growth has happened, the efficiency ratios have improved, the CASA grew moderately at 5.38%, however, the CASA and retail term deposits we are growing at over 7%. So, on the deposit front we had a growth of 8.68%. The RAM percentage, we had said that we are going to sequentially improve it year-on-year and quarter-on-quarter basis and we have been able to maintain the trend. Compared to March 22 onwards the RAM percentage which was at 50.71% has now improved to 55.15%. The overall credit profile as far as the external rating of our accounts is concerned, we have been telling the investors and analysts that we are churning our corporate credit portfolio, and the trend of March 25, if you see a slide number 12, you can find that there's a shift in the overall churning that is happening in the credit portfolio. We are now also focusing on higher yielding assets. So, the double AAs and A's are showing slight uptick in the quarter of March.

The yield on advances has also improved. Of course, as the notes to accounts must have mentioned that we have booked additional income due to the NARCL resolution. This has boosted our other income and also our interest income on advances and that is one of the factors which also helped the performance of the bank. The performance of the bank was also boosted by good contribution from the treasury and the treasury income has also improved significantly. From the investment slide, it can be seen that the profit from sale of investments was Rs.106 crores for the quarter ending March. The fee income has also shown a very significant improvement of over 27%. We are constantly working on how to improve the core fee income. We are very concentrated on how to prevent revenue leakage and making the systems more robust so that our revenue earnings do not get impacted. Overall, I would like to say that as we have been committing to the investors that we will continue to show a sustainable performance, I think for the last four or five quarters the trends continue to be positive. We will continue to work on

this sustainable performance going forward also. Now I would like to open up the forum for the Q & A session. Thank you very much.

Moderator: Thank you, Sir. We will now begin the question-and-answer session. Our first question is from the line of Mr. Sushil Choksey from Indus Equity. Sir, please go ahead with your question.

Mr. Sushil Choksey: Excellent result and a successful QIP. Sir, you've spoken all about FY 24-25. For FY 25-26, what are our estimates in terms of advances, deposit, NIM, CD ratio, what kind of ROE & ROA we will achieve, what kind of gross NPA & net NPA are you targeting? How will you target CASA increase when the interest rates are falling? CASA can be attracted, what measures will you take on this? These are my initial questions.

Mr. Swarup Kumar Saha: Yeah. Thank you, Mr. Choksey. As we have talked about the performance of FY 24-25, we have also given a guidance for FY 25-26 in our last slide, on slide #40, wherein we have set the tone for FY 25-26. The deposit growth would be between 8% to 10%, Advances growth would be between 15% to 16%. Our CD ratio is at 70%, we will like to keep it between 78% to 80%. Overall, the gross NPA is now at 3.38%. we'd like to bring it below 2.5%. Net NPA, which is at 0.96%, we'd like to bring it down to 0.75%. The provision coverage ratio, we like to jack it up to more than 92%, between 92% to 93%. As far as the guidance on the ROA is concerned and ROE is concerned, we like to mention that we have increased the ROA to a level of 0.67%. For the next year, we will like to bring it up to a level of 0.75% to 0.80%. As far as the NIM is concerned, we feel that there may be some correction in the NIM going forward because of the developments that are happening on the liquidity front and rate cuts. Two of the cuts that have already happened and we are expecting another 50 bps cut, maybe down the line during the financial year, which may have some impact on the NIM. The NIM may moderate, but we will make all efforts to keep it at a level at which we are at this point of time.

On the cost-to-income ratio, you must have observed that the cost-to-income ratio has come down from 72% to just over 61%. That's a good development. We had told the market and the investors that the one-off impact of the wage provisions of the bipartite settlement had impacted our cost-to-income ratio. We are happy to see that we have been able to bring it back to a level which is much more comfortable, and we like to keep it at 58% to 60% during the end of the financial year.

In terms of the deposit mobilization, as we all understand that the deposit mobilization is a challenge that we have to face. We are innovating our products. We are improving our digital products on the CASA in the retail front. We are customizing product for various customers like the defense accounts, salary accounts, women customers. We are moderating and customizing various products for the bank and more and more digital acquisition will keep going to happen. We are also working on, as I had told multiple times during our previous interactions, new projects that are on the verge of completion. The Call Center has started, the initial

part of the Call Center project, which we have promised in the previous quarters, will also contribute to the lead management on both deposits and the asset side, apart from helping the bank on the collection efficiency and the overall 360° feedback of customers to do cross selling. Our teams are already on the ground mobilizing deposits in the market and trying to acquire as much customers as possible. The Tab banking which we had promised is also going to be implemented very shortly, which will also help us on our CASA acquisition.

Mr. Sushil Choksey: Sir, I'm referring to your slide of guidance. When we are already at 3.38% on gross NPA, net NPA is at 0.96%. Your recovery and upgrades, I understand last year you had an exceptional year, this year Rs.1000 crore was fine. Credit cost, you achieved 0.20%, maybe thanks to one off, but why are we being so conservative in our numbers compared to what we have? My second question here is, what is the outlook on Treasury and how are we positioning when the 10-year G-SEC is at 6.35%? Third is, with all your new initiatives what kind of digital spend are you likely to do, and what kind of digital spend is being done if you bifurcate between retail RAM and corporate bank?

Mr. Swarup Kumar Saha: Okay. As far as the credit cost is concerned, yes, you may feel that we are giving a conservative guidance. We like to be in that zone because, we are still having some stress in the agriculture and a small segment of MSMEs. While the corporate looks very healthy, if you see our slippage trends in this quarter also you will find that the agri slippages have gone up a bit more. Though on Q-o-Q and YoY basis, the slippages are less, but still there is a residual area of agriculture which we like to address and take care of. Also one or two mid corporate accounts, though we are providing for them already, which are at the Rs.100 crore to Rs.150 crore range, they are hovering between the SMA 1 and SMA 2, so if those slips also, they can have a small impact. We will like to keep this guidance and achieve the guidance in a better fashion.

In terms of treasury, I am very sure with the movement of the yields in the current quarter looks much more rosier than what it was in the last quarter. Though the last quarter was also good for Treasury, but with the movement of yield that has happened, we feel that this year's performance of Treasury will be much better than what it was last year. The third question was on the new initiatives, yes, the digital lending is one of the areas where we have already started, is the housing and the vehicle loan. We have already started on MSME up to Rs.25 lakhs. We are going to bring the digital part, the STP. I'm talking of the straight through processing of digital lending and this would go up to Rs.1 crore very shortly, the process is on. We have started with up to Rs.25 lakhs MSME.

There are many other digital lending products on the anvil like the GST product, the Gold Loan, the personal loan. So, these are all tied up and will happen in maybe three to six months' time as we customize the products for ourselves. Gold loan also we would like to customize. The digital lending is a big project for us and we like to take it forward as we move ahead. On the other new initiatives, I've already said that

we are going to have the Call Center. I've already talked about the CASA Back Office, which is also getting operational next month and the customization of the centralized trade foreign exchange transaction module. Maybe by September we will have all these things in place because these are now very realistic projects which are getting implemented.

We are also working parallelly on a performance management system which has also been a talking point in our interactions before. So, the performance management system in the bank, to have a much more scientific way of assessing performance of employees in the bank is going to get implemented in the current financial year and we are in a very advanced stage of starting the process. So that will also support the overall environment on our initiatives going forward.

Mr. Sushil Choksey: Okay. Second thing is, the Treasury outlook you mentioned that we are well positioned, but are we churning from more lucrative in terms of corporate bonds or what are we doing in those respects?

Mr. Swarup Kumar Saha: See this is the dynamic environment. So, as the dynamism happens in the ecosystem, we will churn our portfolios and we'll use all our skills to make best use of the opportunities that the market provides us. So, there is no demarcation on what can be done today and tomorrow, but the overall optics is this that the environment that we are in at this point of time, we will make full use of the treasury functioning in the bank in this year.

Mr. Sushil Choksey: And second thing, India is likely to attract a lot of manufacturing because this global trade war. Are we looking at something to benefit from Gift City or anything something new initiative which we need to take which we are not in place for?

Mr. Swarup Kumar Saha: Yeah. We have got the in-principle approval for the Gift City but you know that there is a process for getting the final approval and the implementation of it. The board has given the in-principle approval of going ahead with opening a Gift City branch and we are now going through a consultancy process for opening. That is in the agenda for the financial year but that has its own ways of implementation. So, it's a project of maybe a year or so, the benefits of it may come next year, but the process has been initiated.

Mr. Sushil Choksey: Sir, thank you, and all the best for the year. Thank you for answering all my questions.

Mr. Swarup Kumar Saha: Thank you, Mr. Choksey.

Moderator: Thank you, Sir. Our next question is from the line of Ms. Saloni Shah. Ma'am, please go ahead with your question.

Ms. Saloni Shah: Sir, my question is that can you specify the contribution of a digital channels to overall business and are there any cost savings happening?

Mr. Swarup Kumar Saha: Yeah, Mr. Mehra will answer.

Mr. Ravi Mehra: I would just like to mention that we started on 5th of December and since then we have sanctioned almost 7,000 loans pertaining to home loan and auto loans with the quantum of around almost Rs.1100 crore through the digital or assisted journey.

Ms. Saloni Shah: Oh okay, and also Sir, I have one more question that your UPI transaction volumes have grown by over 60% year-on-year. So, how is this translating into customer acquisition or cross sell opportunities?

Mr. Swarup Kumar Saha: Correct. Yeah, this is an interesting question and I think at the right opportunity. As you are rightly saying that the UPI volumes and transactions are increasing. Now, the customer acquisition also is one of our process which we carry out through the digital process, but we are also upgrading our digital banking in a better fashion. The customization is getting more and more stringent. We will get the full benefit of it maybe during the current year. For this reason we are bringing this concept of the Tab banking for acquisition of customers and the Call Center also, once it gets activated. These two parallel projects which once implemented will help us to analyze our transactions and go for more and more acquisition of our customers. So, that is on the cards and in terms of the numbers, I think I'll not be able to mention to you at this point of time, but yes, definitely your point is well taken and we are on the process of analyzing our transactions to acquire more and more customers.

Ms. Saloni Shah: Okay, Sir, got it. Thank you so much.

Moderator: Thank you, Sir. Our next question is from the line of Mr. Ashok Ajmera from Ajcon Global. Sir, please go ahead with your question.

Mr. Ashok Ajmera: Good evening, Sir. Complements for very good numbers for the quarter as well as the whole year. The operating profit is jumping to Rs.816 crore in the quarter and for the overall year it's Rs.2075 crore. Phenomenal achievement Sir and on many other parameters also the bank has started performing much better than what it used to be.

Mr. Swarup Kumar Saha: Thank you.

Mr. Ashok Ajmera: Even this time, even the credit growth is also good. Having said that Sir, my questions generally remain on that we have a very low base you know among the public sector banks. We are you know among those few small banks, but having the benefit of being a public sector bank with the huge government holding and all that, so these numbers should not be a sort of a benchmark like comparable

with other banks. We have lot of scope to grow faster, faster than what we are growing. Of course, keeping the credit quality into mind.

In that background, are we not looking for some good MSME or some good small corporate accounts, may not be 65:35, 55:45, but so that you know we have good income also as well as we grow much faster and come to a particular different level, Sir. So, this is my first observation and your comments on that, Sir?

Mr. Swarup Kumar Saha: Yeah. Thank you, Mr. Ajmera, for your compliments, and as you have been watching over the last 2-3 years, how the bank is slowly transforming not only in systems and processes, but also qualitatively we're trying to grow. While we appreciate the point that we have a low base and we have the opportunity to grow faster, it is actually correct. But also we need to understand that the today's environment, we also need to be cautious of the fact that the top line should not hamper the bottom line. We are working on how we have a better bottom line growth also on a sustainable basis. So, therefore in terms of the top line, while you have observed this time, our deposits have grown by 8.68%, our advances have grown by 15% plus and we are maintaining more or less the same guidance for the current year as well. The systemic growth at this point of time is around 11% to 12% on the advances side. So, we are giving a guidance that we will be growing a bit faster than the system, which takes care of your question that we can grow faster than usual but we are mindful of the fact that the growth has to be qualitative, that the growth has to be on a sustainable basis and the growth also should not impact the bottom line going forward in terms of any eventuality in the ecosystem, we should be also prepared for that. We will continue to progress on our growth front, on a very, very qualitative and a sustainable method.

On your remarks on the MSME, mid corporate, yes, being a bank we should be giving lots of focus on MSME and mid-corporate. That's why we have now opened 12 mid corporate branches. We are opening specialized MSME branches all across the country plus we have designed our products on the cluster based financing and we are also expanding our branch network on a PAN India basis. We have a program of opening at least 150 branches in this financial year to get into the catchment areas where we are not present at this point of time. So, presently we are in 361 districts out of the 700 potential districts that we can be in. Therefore, keeping a 360° view, we need to expand in those territories where there is lot of scope for penetration. We are opening a new zonal office in Patna, Varanasi, Agra and Moga in Punjab. This will not only enable the bank to be much more granular on the specific areas you are hinting at regarding the retail, MSME, mid corporate financing and many of these zones presently which are getting covered are having more than 80 or 90 branches. In today's environment, it is very difficult to generate business by a zonal head by controlling so many branches.

So, we have now rationalized the zonal office structure of the bank and we have brought down the level of number of branches per zone to an average of around 60 to 65, which gives a much better control for growth and for compliance. So,

therefore, we will take this as a key strategic area for focusing on retail, MSME and mid-corporate accounts. That's why you find a significant shift in the composition between RAM and corporate which has now already touched 55%. So, we will take your advice very, very seriously and move ahead in the coming years.

Mr. Ashok Ajmera: So, thanks Sir for very elaborate answer on that question. Sir, you've covered my next question partly. PAN India presence of Punjab & Sind Bank. Now, you are saying that a lot of initiatives are being taken as the zonal offices are being opened and you are already, in fact almost about 45% of the total districts you're present there. Can I have some data or numbers on our total credit disbursal in NCR, Punjab, Haryana in that area and the rest of India? Can we have some ballpark, some number?

Mr. Swarup Kumar Saha: No. I will not have the segregation of the numbers at this point of time, my team will share it separately with you, but I can give you an overall figure that we are now having nearly more than Rs.13,000 crores of sanctions/in-principle sanctions in hand. The pipeline now is increasing and also I'd like to tell you one more point here, earlier we were not having this tool with us on branch expansion. We are having a customized tool which allows us to understand district wise penetration of banks in a particular district and we have customized data on which districts we are doing good, which districts we are not doing as good as the others, and in which districts we are not there at all while there is a lot of good performance and then high CD ratio in those districts. So, therefore, opening branches in areas where we can open and there's a lot of potential. I can just tell you, we opened a Vizag branch very recently with more than Rs.100 crores of business. Another branch we opened in Thrissur down South in Kerala where we opened the opening day business was more than Rs.100 crores. So, that is the potential we are looking at while opening new branches. In fact we have kept a separate vertical only to open new branches, rationalize new branches, and monitor the business in those new branches. So, those are the structural changes that we are bringing in so that we can penetrate deeper and deeper in the levels where we are not present at this point of time.

Mr. Ashok Ajmera: Oh, yes, Sir. That is a very, very good initiative when taking the bank really to PAN India. Sir, what are your views on this co-lending and NBFC space where now RBI is also permitted that you can go for NBFC funding even for non-priority sector onward lending, are we working on that in this space to increase our book through either co-lending or through an NBFC so, that we get much higher returns also where our book also increases faster?

Mr. Swarup Kumar Saha: I think we have said this in our earlier interactions, we have been using the co-lending model of doing business as per RBI guidelines in a big way. We have already reached a figure of Rs.3,300 crores of business both either retail or MSME and we have developed proper systems also in place. With RBI coming out with fresh guidelines on the non-priority sector also which shows that this model of business is very, very appropriate for lending to MSMEs and to the

retail segment. So, we are waiting for the final circular to be issued by RBI, once issued we will use this model of lending very, very effectively. Till today, our experience in co-lending is highly satisfactory in the lending level at this point of time. Out of the Rs.3,300 crores, our retail is around Rs.1,475 crores and MSME is Rs.1,800 crores, with very limited delinquency. So, our experience has been very healthy. Our conversion is only 30% of the leads that we get. So, our due diligence process is at a very highest level and once we get the final Circular on the non-priority segment, which is going to be issued by RBI at any point of time, we will explore that and we will take it in our stride to expand our business in MSMEs as well and non-priority segment as well.

Mr. Ashok Ajmera: Point well taken, Sir. Will you throw some light on the overall recovery, the prospects in FY26 and our overall written off book and what kind of percentage we expect every year to recover especially in the FY26 and what is the total overall recovery efforts either through NCLT, through NARCL in FY26, will you be able to give some color on that, Sir?

Mr. Rajeeva: So, if you look at the recovery trend over last four years, we have been recovering close to Rs.1,700 crores to Rs.2,000 crores. So, last year we had approximately Rs.2,000 crores. This year we have recovered close to Rs.1,700 crores. Now, in the written off book, which is quite substantial, our written off book is almost Rs.7,000 crores and we have been recovering almost 10% over last four years.

Mr. Ashok Ajmera: Oh wow, that's great.

Mr. Rajeeva: Yeah. So, this year also out of Rs.7495 crores, we have been able to recover Rs.821 crores which is close to 11%. So, we believe that there's a lot of scope for recovery in written off accounts and that is likely to continue in future also. In FY26 also we expect the recovery to cross Rs.1000 crores for certain and of course it will be in line with what we have been doing in the past 2-3 years.

Mr. Ashok Ajmera: Oh, that's great Sir, 10% percent recovery from the written off book is very, very good numbers. Again, you know generally people give the guidance of 5% to 7% or 5% to 6%, so your efforts are really paying off and you are doing well on this front. Sir, my last question in this round is on the Treasury front. With the rates softening and there are expectations of some more rate cuts coming in, I think we are sitting in a very comfortable position.. So, in the FY26, do we expect bumper profitability to be added from the Treasury books both while the sale of treasury assets and secondly I think apart from the AFS book which goes to the reserve, what in trading as well as the security sale which comes in the profit. So, whether you will be able to give some information?

Mr. Swarup Kumar Saha: Yeah. I've also already answered this question partially to Mr. Choksey earlier, but I'll repeat it once again for you. I appreciate, yes, the Treasury is now in a softening stance and there are expectations of further rate cuts. So, it is expected and OMO was also being announced from time-to-time, there's a

lot of hope that as liquidity also improves, there will also be softening of the yields. I don't know whether I can call it a bumper year for treasury, but what I can fairly say from our side is that the Treasury's contribution to the overall profitability of the bank will be much more than what was in the previous year.

Mr. Swarup Kumar Saha: I think you had another question on the AFS?

Mahima Agarwal: Yeah. Sir, if you see as per the new guidelines, the FVTPL profit will be hit to P & L account and AFS will go to General Reserve. So, this year we have the total MTM gain of Rs.56 crores that has contributed in the P&L account and around Rs.75 crores it has gone to general reserve and it has increased our capital. So, according to the yield movement this year, the figures of this year will depend upon the yield at the quarter end.

Mr. Swarup Kumar Saha: Do we have a healthy book to generate some profit out of that?

Mahima Agarwal: Yes, Sir. We have churned our portfolio according to these new guidelines also. So, we are having a good portfolio. According to the market, we will definitely earn profit out of it.

Mr. Ashok Ajmera: You are generally active in treasury for the trading profit?

Mr. Swarup Kumar Saha: Yes, we are very active on trading.

Mahima Agarwal: Yes Sir, we are churning our portfolio also. If you see in the March quarter, we have earned Rs.106 crore profit and total profit out of the trading last year was Rs.371 crores. We are hoping in the same lines, as the yield movement happens, we generate profit also and we are hopeful that it will be in line with last year only and much more than that also.

Ashok Ajmera: Thank you very much, Sir, and all of you, for having answered my query so very well and giving a very elaborate presentation on the bank and bank is really moving very fast now in the right direction and all the best to you, Sir. Thanks a lot.

Mr. Swarup Kumar Saha: Thank you.

Moderator: Thank you, Sir. Our next question is from the line of Mr. Omkar Shravan. Sir, please go ahead with your question.

Mr. Omkar Shravan: Good evening, Sir. Thank you for this opportunity. Sir, my question is, the government has planned to clear 30%-40% of unclaimed deposit held by public sector banks by FY26. Is it possible to successfully clear the large quantum of unclaimed deposits by FY26 and will this exercise also likely to result in increased litigation, how our bank stands on this?

Mr. Swarup Kumar Saha: Yeah. See the migration of the unclaimed deposit to the DEA Fund is a regulatory phenomenon which we comply with it. That is the amount that migrates to the RBI, but when the demand comes, we also get the return from RBI very, very promptly. The efforts that are getting put in from our side is that much before the accounts become eligible under this unclaimed deposit or DEA Fund, we are contacting the customers and trying to reach out to them through various ways of media and through our channels of branch or digital or website. We make concerted efforts on that, but some of the legacy accounts that we are still having maybe those will continue to migrate to the DEA Fund, but the efforts for the accounts not getting migrated is on a very, very high scale. Our operations divisions works on that very, very closely and tries to touch base with as many customers as possible, and that's why we are also getting requests. Sometimes when the accounts get transferred to the RBI and we get request then we make the request to RBI to get the money back.

So, that's a continuous process, but the migration of the old accounts will happen to a reasonable extent as we go along. We will not be able to fully cover the entire amount that is there. So, far in our bank, we have already transferred around Rs.870 crores of money to the DEA Fund.

Mr. Omkar Shravan: Yes, Sir. Do you see any real bottom line impact from this?

Mr. Swarup Kumar Saha: Not really. This migration is happening on a periodic basis and it's already factored in our overall strategy of things.

Mr. Omkar Shravan: Okay. Also, my last question was, will there be any further capital raising in FY26?

Mr. Swarup Kumar Saha: We have raised, as you must be knowing, we have raised capital of QIP of Rs.1,219 crores in Q4 in March last quarter and also before that we had a Rs.3000 crore of infra bond issuance. So, we are adequately capitalized, but we will take a view on this post results. Our ICAAP Committee will work on this and will analyze the situation to decide how to go about it. We will keep the doors open for raising further capital, but the assessment of it is still to be done. We are waiting for the completion of the results. Now, we'll go into the assessment mode and at an appropriate time, all of you will come to know our plan for the capital raising. It is in the agenda, but at what time and quantum, we will let you know at an appropriate time.

Moderator: Thank you, Sir. Our next question is from the line of Mr. Umesh. Sir, please go ahead with your question.

Mr. Umesh: Sir, I congratulate all the team of Punjab & Sind Bank for the wonderful result.

Mr. Swarup Kumar Saha: Thank you.

Mr. Umesh: Sir, I have few questions. Sir, the bank has achieved significant improvement in ROA that is standing at 0.79% and ROE at 12.4%, but how does the management plan to further enhance the profitability in FY26, particularly with respect to the cost optimization and improving the cost to income ratio?

Mr. Swarup Kumar Saha: See, as I said, the substantial optic in the ROA is also due to the one off contribution that we got from one of the resolution in recovery. This increased our entire income, interest income and other income by over Rs.460 crores. So, that is a one off transaction that has happened, but we feel that the overall situation is that if you see our provision coverage ratio, it has also shown an uptick from 89% plus to 91.38%. We have also now provided adequately on the ageing front, at least up to December '25. So our forward-looking initiative is that now, while we have taken a substantial income due to the recovery, we have also ensured that our future ageing requirement also gets diluted slowly and slowly. Therefore, as of now, we have been able to provide the requirement of ageing till December '25. So, we are moving three quarters ahead and we expect a good treasury year. With respect to recovery, we have still have some low hanging fruits on the mid corporate segment. Of course, the larger ones are more or less resolved for our bank, we still have a segment between Rs.100 crore to Rs.300 crores of segments where we expect some resolution to happen, which will contribute to our bottom line. We're also churning our balance sheet in a way and the corporate lending between the AAA's and the AA's. You will find that in this quarter also the AA's have increased compared to the AAA's, which has decreased and while maintaining the health of the portfolio, we also churn our balance sheet. Our RAM segment, we are estimating more than 57%. So, that will give you better yielding assets. We are concentrating on gold loan, equipment finance, MSMEs, GST, educational loan, these are some of the key areas. So, overall, while there will be some correction on the advances income due to the repo which is 47% of our total book at this point of time, we will also get some positive impact on the borrowing rates that are cooling down the rates on the CD's and the bulk deposits are also cooled down.

We have already reduced our term deposit rates on certain products we had from 7.45% to 7.25%. We have reduced our savings account deposit rates by 10 bps in this period. So, these moderations will also contribute. In view of this entire scenario, we expect that we will be able to maintain the ROA annually at 0.67%. Now we're between 0.75% to 0.80%, and of course, the resultant impact will be on the return on equity also.

Mr. Umesh: Sir, thank you for the answer. Sir, I have another question. Sir, with regard to your gross and net NPA ratios, which have been improved to 3.38% and 0.96%, surpassing your FY 25 guidance. With regard to your FY 26 targets, that is less than 2.5% GNPA and less than 0.75% Net NPA, what are the specific measures or the sectors will be prioritized for the further NPA reduction, Sir?

Mr. Rajeeva: So, if you look at our numbers, of course you've rightly quoted both GNPA and net NPA have gone down. Now, this year we have been able to recover substantially from OTS. To quote you some specific numbers, we got around Rs.317 crores as compared to Rs.101 crore last year. Of course, sale to NARCL was another big gain for us. So, there are various strategies for reduction in NPA, which includes onetime settlement, special schemes for handling agriculture cases, of course, from sale of properties in Sarfaesi we keep on getting some recovery. This year we have been able to get something around Rs.84 crores and sell to ARC. So, there are various means we are deploying. In a way, its an increase in the awareness at the filed level as well as improvement in the recovery culture in the bank, we expect the downward trend in GNPA and net NPA in line with the guidance that MD Sir has given for FY26.

Mr. Umesh: Thank you for the answers, Sir, and congratulations once again.

Moderator: Thank you, Sir. We have got 2 questions on the chat, Sir may I go ahead with the question?

Mr. Swarup Kumar Saha: Yeah, please.

Moderator: The first question is from Ms. Myara Mittal. Her question is the bank opened 52 new branches in FY25. What is your expansion plan for FY26, especially in semi urban and rural markets?

Mr. Ravi Mehra: This Financial Year we plan to open 150 branches primarily into the southern states, Maharashtra, Andhra and other areas, particularly Eastern region as well. Majority of the branches will be in the semi-urban and urban areas.

Moderator: Thank you, Sir. Our next question is from Ms. Sakshi. The actual RAM percentage to deposit slightly missed the guidance given for FY25 and now the guidance for FY26 is greater than 57%. What are the plans to push this over the 57% mark in FY26 and what are the top priorities for FY26?

Mr. Ravi Mehra: For this particular financial year, we have given the guidance of 57% and more in the RAM segment, we definitely want to focus on few particular segments like MSME and home loans as well. We are also open to more channel partners with regard to the co-lending and DA assignments. We are going to open up more branches in the districts where we don't have any presence and we have also opened some more than 12 mid corporate branches this year as well. So, hopefully we'll be able to surpass this guidance.

Moderator: Thank you, Sir. As there are no further questions from the participants, we now conclude this conference. On behalf of Punjab & Sind Bank, I thank each one of you for joining the Conference Call today. Thank you.

Mr. Swarup Kumar Saha: Thank you, Shilpa. Thank you everybody for joining this call. Thank you.

Moderator: Have a good day. Thank you, Sir.