



## **DIRECTORS' REPORT FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2025**

The Board of Directors feel immense pleasure in presenting **7<sup>th</sup> Annual Report** of Punjab Gramin Bank along with Audited Balance Sheet and Profit & Loss Account for the period ended 31st March 2025 in terms of Section 20 (1) of the RRB Act 1976, together with the Statutory Auditors report for the said period.

### **1. INTRODUCTION**

The Central Govt. of India, vide its notification dated 21.12.2018, amalgamated Punjab Gramin Bank, Malwa Gramin Bank and Sutlej Gramin Bank sponsored by the Punjab National Bank, State Bank of India and Punjab & Sind Bank respectively and a single Regional Rural Bank called as Punjab Gramin Bank came into existence in Punjab State w.e.f. **01.01.2019** with its Head Office at **Kapurthala** under the sponsorship of **Punjab National Bank**.

Punjab Gramin Bank is a well-established brand name in the State of Punjab with a strong customer base of over **40.76 Lacs**. The Bank is working with the sole and sacred objective of providing easy and hassle free credit in the rural sector for upliftment of rural poor, development of rural economy and to offer opportunities for safe deployment of their savings. The Bank is fulfilling the credit needs of all sections of the society with an aim to ensure sustainable and inclusive growth. It is also providing credit counseling and financial guidance to the farmers by organizing Financial Literacy Workshops, Kisan Goshties, Credit Camps and forming Kisan Clubs.

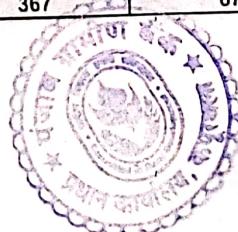
### **2. AREA OF OPERATION OF BANK**

The area of operation of the bank extends to all **23 districts** of Punjab State.

### **3. BRANCH NETWORK**

The bank has a network of 457 branches spread over all **23 districts** of Punjab. The district-wise breakup of branches is as follows:

Sr. No.	Name of District	No. of Branches	OUT OF WHICH		
			Rural	Semi-Urban	Urban/Metro
1	Amritsar	29	25	2	2
2	Barnala	15	11	3	1
3	Bathinda	13	9	0	4
4	Faridkot	7	4	3	0
5	Fatehgarh Sahib	11	10	1	0
6	Fazilka	19	16	2	1
7	Ferozepur	20	15	4	1
8	Gurdaspur	32	25	4	3
9	Hoshiarpur	42	38	3	1
10	Jalandhar	23	12	8	3
11	Kapurthala	32	26	6	0
12	Ludhiana	9	8	0	1
13	Malerkotla	5	5	0	0
14	Mansa	14	10	4	0
15	Moga	23	19	3	1
16	Mohali	23	18	4	1
17	Muktsar	13	9	3	1
18	Nawanshehar	8	4	4	0
19	Pathankot	18	16	0	2
20	Patiala	27	26	0	1
21	Ropar	21	19	2	0
22	Sangrur	36	28	8	0
23	Tarn Taran	17	14	3	0
<b>TOTAL</b>		<b>457</b>	<b>367</b>	<b>67</b>	<b>23</b>





During the Financial Year 2024-25, bank has opened 11 New Branches.

#### 4. ORGANISATIONAL STRUCTURE

In line with NABARD guidelines, Bank has established a three-tier structure i.e. Head Office, Controlling Offices and Branches. Seven controlling offices have been set up at Amritsar, Bathinda, Ferozepur, Hoshiarpur, Jalandhar, S.A.S. Nagar (Mohali) and Sangrur with a view to monitor and control the Branches under specific territorial jurisdiction. These controlling offices are headed by Scale-IV/V officers, designated as Regional Manager/Senior Regional Manager, who have been vested with adequate financial and loaning powers to facilitate smooth functioning of the Branches.

The operational jurisdiction of these offices is as follows:

Controlling Office	Jurisdiction District	No. of branches
Amritsar	Amritsar (29) and Gurdaspur (32)	61
Bathinda	Bathinda(13), Faridkot(07), Mansa(14), Moga (23) and Sri Muktsar Sahib (13),	70
Ferozepur	Ferozepur (20), Fazilka (19) and Tarn Taran (17)	56
Hoshiarpur	Hoshiarpur (42), Pathankot (18) and S.B.S Nagar (Nawanshehar)(08)	68
Jalandhar	Jalandhar (23), Kapurthala (32) and Ludhiana (09)	64
S.A.S. Nagar (Mohali)	S.A.S. Nagar (Mohali) (23), Patiala (27) and Ropar (21)	71
Sangrur	Sangrur (36), Barnala (15), Fatehgarh Sahib(11) and Malerkotla (05)	67
	<b>TOTAL</b>	<b>457</b>

#### 5. SHARE CAPITAL

The Authorized Share Capital of RRBs is Rs. 2000 Crore and the Capital Structure is as follows.  
(Amt. Rs. in '000')

Share Holders	Contribution of Share holders	
	Share (%)	Capital
Central Govt. of India	50	126832.25
Punjab National Bank	35	88782.55
State Govt. of Punjab	15	38049.70
<b>TOTAL</b>	<b>100</b>	<b>253664.50</b>

#### 6. DEPOSITS

The deposits of Punjab Gramin Bank stood at Rs. 15,778.21/- crores as on 31.03.2025, showing an absolute accretion of Rs. 1,503.48/- crores and a growth of 10.53% during the FY 2024-25. The low cost deposits (current + savings) being Rs. 6,091.27/- crores, constitute 38.61% of the total deposits. The deposit per branch works out to Rs. 34.53 crores. The average cost of deposit is 5.45 % p.a.

The break-up of deposits as on 31.03.2025 is as follows: -

		As on 31.03.2025			As on 31.03.2024		
Sr. No.	Type of deposit	No. of A/cs	Amount	%Age to Total Deposit	No. of A/cs	Amount	%Age to Total Deposit
1	S.F.	2152605	5,53,60,006	35.09	2323471	5,24,99,979	36.78
2	C/A	1726944	5,55,26,88	3.52	1335636	47,52,336	3.33
3	Term Deposits	290406	9,68,69,411	61.39	283461	8,54,95,037	59.89
	<b>TOTAL</b>	<b>4169955</b>	<b>15,77,82,105</b>	<b>100.00</b>	<b>3942568</b>	<b>14,27,47,352</b>	<b>100.00</b>





## 7. BORROWINGS

The Bank has been availing refinance under short term, automatic, schematic, and non-schematic schemes from NABARD on selective basis keeping in view the funds position. During the period 01.04.2024 to 31.03.2025, bank has availed Rs.281.00 crore as refinance from NABARD under short-term ST (SAO) category @4.50 % p.a., Rs. 1500.00.00 crore under Additional ST (SAO), Rs. 1100.00 crore under ST (Others), and Rs.95.00 crore under LTRCF at concessional interest rate & Rs.77.73 crore under Normal refinance interest rates. The outstanding refinance borrowings from NABARD are Rs. 2624.31 crore as on 31.03.2025. The balance outstanding in respect of borrowing from NSFDC, NBCFDC, NSKFDC, NDFDC, NMDFC, MUDRA and SIDBI for the purpose of financing its target group beneficiaries is Rs. 142.04 crore, Rs. 70.09 crore, Rs. 0.16 crore, Rs. 0.93 crore, Rs. 2.00 crore, Rs. 5.54 crore and Rs. 116.68 crore respectively. Thus, total outstanding of borrowings is Rs. 2961.75 crore as on 31.03.2025. There is no default in repayment during 01.04.2024 to 31.03.2025.

## 8. OTHER LIABILITIES – DICGC

There is no amount of claims received from DICGC which has not been adjusted in borrowal accounts.

## 9. CASH & BALANCE WITH BANKS

Every effort is made to keep the need based cash in branches and banker balance in current account to obviate loss of revenue. Balance in current account with RBI is maintained as per statutory requirement. Detail of cash held by the bank at the end of year, average cash in hand etc. is as follows:

(Amt. Rs. in '000')

Particulars	As on 31.03.2025	As on 31.03.2024
Cash in hand	3,31,608	3,95,419
Average cash during the period	4,67,252	5,38,942
Average cash as % to average deposit	0.31	0.39
Balance with RBI	60,00,194	63,01,570
Balance with Sponsor & other Banks in C/A	3,78,793	2,81,813

## 10. INVESTMENTS

Bank has kept a strict vigil on its funds management to keep minimum idle funds to ensure maximum earnings on surplus funds. The detail of the investment in SLR and NON-SLR category is as follows:

(Amt. Rs. in '000')

Investment	31.03.2025	31.03.2024
SLR	4,53,41,419	5,03,87,450
NON-SLR (Including FDRs with Banks)	3,39,27,709	2,77,99,327
<b>TOTAL</b>	<b>7,92,69,128</b>	<b>7,81,86,777</b>

The detail of SLR investment is as follows.

(Amt. Rs. in '000')

SLR Investment	31.03.2025	31.03.2024
In approved govt. Securities	4,53,41,419	5,03,87,450
<b>TOTAL</b>	<b>4,53,41,419</b>	<b>5,03,87,450</b>

The detail of Non- SLR investment is as follows.

(Amt. Rs. in '000')

Institution/ Security	31.03.2025	31.03.2024
All India Financial Institutions	NIL	NIL
Others	10,97,709	11,99,327
FD (Non-SLR) with Banks	3,28,30,000	2,66,00,000
<b>TOTAL</b>	<b>3,39,27,709</b>	<b>2,77,99,327</b>





## 11. LOAN AND ADVANCES

The bank is financing all the bankable schemes/ projects to all the sections of the society. The schemes of KCC for farmers and GCC for Bank's Individual customers in rural and semi-urban areas have received very encouraging response in the inclusive growth of rural populace. The bank is also financing under retail segments. In order to increase the advances, the bank has taken the following steps in this period.

Festival Bonanza Scheme was launched to enhance Term Lending under Housing Loan, Car Loan & Loan against Mortgage of IP.

In all the branches Kisan goshties & credit camps were arranged to guide the farmers about new farming techniques and to spread financial literacy to make them aware of the advantages of bank credit over credit obtained from private money lenders.

The outstanding credit of the bank as on **31.03.2025** is **Rs. 12,097.22 Crores** as compared to **Rs. 10,956.56 Crores** as on **31.03.2024** registering an increase of **Rs. 1,140.66 Crores** or **10.41%**.

The priority sector advances are **Rs.10576.92 Crores** which has shown growth of **6.09%** during the **FY 2024-25**. Out of total advances, the share of Priority Sector advances is **87.43%**. The Bank continued to surpass the National goal of **75%**.

The Bank has also issued Priority Sector Lending Certificates (PSLCs) during the period 01.04.2024 to 31.03.2025. The face value of PSLC sold during the 01.04.2024 to 31.03.2025 was Rs. 13900.00 crore and bank has earned premium of Rs. 109.55 crore on sale of PSLC. Further, during the period ended March'25 (April-Mar), the bank has also purchased Priority Sector certificates of Rs. 10000.00 crore under PSLC scheme and paid net premium of Rs. 1.09 crore. PSLC attract GST @ 18% through Reverse Charge Mechanism i.e. Buyer of PSLC has to pay 18% GST under reverse charge. However, ITC of 50% reverse charge is available to the banks. The net expenditure of the bank on purchase of PSLC works out to 109% of fee rate. The net premium earned on trading of PSLCs during the period ended March'25 (April-Mar) is Rs. 108.46 crore.

Similarly, the agriculture sector advances are **Rs. 9009.27 Crores** which has shown growth of **4.96%** during the **Financial Year 2024-25**. Out of total advances, the share of Agriculture Sector advances is **74.47%**.

In a significant step towards diversifying Bank's loan portfolio, various schemes under **Retail segment** have been launched during the Financial Year & has achieved a **growth of Rs. 614.11 Crores (49.14 % over 31.03.2024)**.

The loan portfolio of the bank remains well diversified with **yield on advances at 9.24%** for the period ended March, 2025.

The segment-wise breakup of the advance portfolio of the bank is as follows:

Particulars	(Amt. Rs. in '000')	
	31.03.2025	31.03.2024
<b>Agriculture</b>		
(i) KCC (Crop Loan)	6,82,17,159	6,58,02,467
(ii) Investment Credit (Including Animal Husbandry)	2,18,75,491	2,00,32,131
<b>MSME</b>	1,10,49,326	98,06,027
<b>Retail Lending</b>	1,86,38,531	1,24,97,445
<b>Others</b>	11,91,721	14,27,553
<b>TOTAL</b>	<b>12,09,72,228</b>	<b>10,95,65,623</b>

## 12. DISBURSEMENTS OF ADVANCES/ LOANS

In fulfillment of the basic objective of its establishment, the bank is constantly providing credit facilities to weaker sections of rural society, agriculturists as well as to non-agriculturists. The bank has disbursed fresh loans to the tune of Rs. 11449.86 crores, during the period 01.04.2024 to 31.03.2025. The performance is summarized as follows:

The Bank has achieved 96.93% of budget fixed under Annual Credit Plan for the year 2024-25 in integrated manner.





Particulars	(Amt. Rs. in '000')	
	During 2024-25 (Apr24-Mar25)	During 2023-24 (Apr23-Mar24)
Total Loans disbursed during the period	114498610	112398450
Loans to Priority Sector	100087407	100170445
Loans to Non-Priority Sector	14411203	12228005
Share of Priority Sector in total disbursement	87.41%	89.12%
Loans to Farm Sector	90035208	88359332
Loans to Non-Farm Sector	24463402	24039118
Share of disbursement to Farm Sector in total disbursement	78.63%	78.61%
<b>Out of these</b>		
Loans to SC/ST	4787261	3872634
Loans to SF/MF/AL	54872735	54336815
Loans to tenant farmers/oral lessee/sharecroppers	1261043	1286273

#### ANNUAL CREDIT PLAN

District	(Amt. Rs. in '000')					
	Target for 31.03.25	Achievement 31.03.25	%age Achievement	Target for 31.03.24	Achievement 31.03.24	%age Achievement
Amritsar	-	9630042	-	-	8401989	-
Fazilka	-	5674106	-	-	5668239	-
Ferozepur	-	7167723	-	-	7284056	-
Gurdaspur	-	9465355	-	-	9887483	-
Hoshiarpur	-	7785194	-	-	7613783	-
Jalandhar	-	2686149	-	-	4805647	-
Kapurthala	-	4500949	-	-	4829242	-
Moga	-	5473844	-	-	5025422	-
Mohali	-	7492732	-	-	6925912	-
Nawanshehar	-	1618927	-	-	1578729	-
Pathankot	-	4198737	-	-	4226732	-
Ropar	-	5639915	-	-	5346286	-
Tarn Taran	-	4585793	-	-	4864744	-
Barnala	-	3983557	-	-	3619503	-
Fatehgarh Sahib	-	2752370	-	-	2487049	-
Patiala	-	7963572	-	-	7057466	-
Sangrur	-	9017119	-	-	9145338	-
Bathinda	-	2424423	-	-	3147681	-
Faridkot	-	1751510	-	-	1617428	-
Ludhiana	-	1193840	-	-	1574273	-
Mansa	-	4895156	-	-	4269265	-
Sri Muktsar Sahib	-	3490476	-	-	3022183	-
Malerkotla	-	1107121	-	-	-	-
<b>TOTAL</b>	<b>118129700</b>	<b>114498610</b>	<b>96.93%</b>	<b>98596100</b>	<b>112398450</b>	<b>114.00%</b>

The Bank has achieved 96.93% of budget fixed under Annual Credit Plan for the year 2024-25 in integrated manner including those of Amalgamated entities.

#### 13. PRADHAN MANTRI MUDRA YOJANA

The bank has implemented the Pradhan Mantri Mudra Yojana (PMMY) to fund the unfunded by bringing such enterprises to the formal financial system and extending affordable credit to them. Collateral free loans up to Rs 10.00 lac are provided under PMMY. During the year 2024-25, the bank was allocated target of Rs. 650.00 crore under PMMY against which the achievement of our bank is Rs. 704.00 crore.





(Amt. Rs. in '000')

FY 2024-25			FY 2023-24		
Budgets	Achievement	% Ach	Budgets	Achievement	% Ach
6500000	7047600	108.42%	5800000	6040000	104.13%

#### 14. KISAN CREDIT CARD SCHEME

The KCC scheme of the bank takes care of the production credit & term loan requirement of farmers for raising crops, working capital requirements, consumption needs and redemption of debt of farmers availed from informal sector. The bank has covered 31293 farmers under the KCC and provided them Rs.1641.93 crore during the period 01.04.2024 to 31.03.2025. The cumulative position of number of KCC issued is 573941 and amount advanced under these cards is Rs.16666.63 crore up to 31.03.2025.

#### 15. INCOME RECOGNITION & ASSET CLASSIFICATION

RBI guidelines for asset classification, income recognition and provisioning for NPAs have been implemented in letter and spirit. The figures at the end of year are summarized as under:

##### i) Provisioning

The bank is making provisions on different categories of assets as per the prescribed norms. The provisions held by the bank at the end of 31.03.2025 stands at Rs. 578.63 crore.

##### ii) Asset Classification

Asset-wise classification and provisioning position as on 31.03.2025 & 31.03.2024 is as follows:

(Amt. Rs. in '000')

As at 31.03.2025						
Category	Gross O/S	DICGC	CSRF	Net O/s	Prov. Req.	Prov. Made
Standard	115508982	0	386617	115122365	323047	323047
Sub-Standard	1460212	0	4610	1455602	145989	1460212
Doubtful	3951003	0	4527	3946476	1782685	3951003
Loss	52031	0	10	52021	52021	52031
<b>Total</b>	<b>120972228</b>	<b>0</b>	<b>395764</b>	<b>120576464</b>	<b>2303742</b>	<b>5786293</b>

(Amt. Rs. in '000')

As at 31.03.2024						
Category	Gross O/S	DICGC	CSRF	Net O/s	Prov. Req.	Prov. Made
Standard	103965219	0	321639	103643580	286560	286560
Sub-Standard	1789516	0	334	1789182	179447	1789516
Doubtful	3765542	0	0	3765542	1794275	3765542
Loss	45346	0	0	45346	45346	45346
<b>Total</b>	<b>109565623</b>	<b>0</b>	<b>321973</b>	<b>109243650</b>	<b>2305627</b>	<b>5886964</b>







### iii) NPA Management

NPA position of a bank/ financial institution indicates state of health of its advances. NPAs of the bank stood at Rs.546.32 crore as on 31.03.2025. The percentage of gross NPA to the total advances of the bank is 4.52%. The Net NPA of the bank is 0.00 % of net advances. The NPA position of the bank is summarized as under:

(Amt. in Rs. '000')		
Particulars	31.03.2025	31.03.2024
Sub-standard	1460212	1789516
Doubtful	3951003	3765542
Loss	52031	45346
<b>Total NPA</b>	<b>5463246</b>	<b>5600404</b>
<b>% Gross NPA</b>	<b>4.52</b>	<b>5.11</b>
<b>% Net NPA</b>	<b>0.00</b>	<b>0.00</b>

Under NPA Management, Bank's "Policy on Recovery of Loans and NPA Management" was fine tuned. Meetings of Task Force for NPA Management were being held at regular intervals, under the Chairmanship of General Manager of the Bank. Account specific strategies were implemented and progress was monitored regularly. While thrust was given to upgrade NPAs to standard category, actions under SARFAESI Act 2002 were also initiated in eligible cases. RCs and Civil Suits were filed in suitable cases. Compromise, negotiated settlement and OTS were adopted as others strategies to tackle NPAs. Special Recovery Campaigns, comprising Senior Officials from HO, were also launched at various locations.

### iv) Movement of NPAs

Movement of NPAs during the period from 01.04.2024 to 31.03.2025 is as follows:

(Amt. Rs. in '000')		
Particulars	During 2024-25	During 2023-24
Opening balance	5600404	5733169
Recovery/ Reduction during the quarter	1657532	2400307
Additions during the quarter	1520374	2267542
<b>NPAs at the end of the quarter</b>	<b>5463246</b>	<b>5600404</b>

\* 43 Branches of the Bank are NPA free as on 31.03.2025.

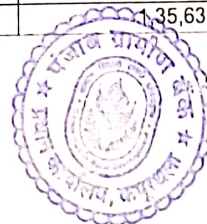
### 16. WRITE-OFF CASES

During FY 2024-25 Bank has resorted to technical write off of 3554 accounts amounting to Rs. 5756.22 Lakhs.

### 17. RECOVERY IN WRITTEN OFF CASES

Due to concerted efforts put in by branches & Head Office bank has succeeded to recover Rs. 1952.98 lakhs in written off accounts during the FY 2024-25.

(Amt. Rs. in '000')		
Recovery in written-off A/Cs	During 2024-25	During 2023-24
Amount	1,95,298	1,35,633





### 18. RECOVERY OF LOANS

Bank prepares the position of Demand, Collection and Balance for the period July to June. The position of demand, collection and balance of the bank as on 30.06.2024 is as follows:

(Amt. Rs. in '000')

DEMAND	COLLECTION	OVERDUE	RECOVERY %age
195,75,46,790	178,30,53,310	17,44,93,480	91.09

### 19. MICRO CREDIT

Bank has been playing an active role in formation and credit linkage of Self Help Groups (SHGs) and Joint Liability Groups (JLGs). The field functionaries are provided training and due motivation to form SHGs and JLGs for the efficient Micro Credit Delivery mechanism.

The progress of the bank under Micro Credit up to 31.03.2025 is as follows:

Particulars	As on 31.03.2025	As on 31.03.2024
Self Help Group Formed (cumulative)	28352	26821
Self Help Group Credit Linked (cumulative)	15093	13436
Joint Liability Groups formed & Linked (cumulative)	14687	13126

### 20. FARMERS CLUBS

The bank has been taking active interest in promoting the Farmers' Clubs, which are proving quite helpful in disseminating the financial literacy, Credit Counseling, technology transfer and capacity building of the farming community. The progress up to 31.03.2025 is as follows:

Particulars	As on 31.03.2025	As on 31.03.2024
Farmers Clubs formed (cumulative)	1111	1110

### 21. FINANCIAL LITERACY AND FINANCIAL INCLUSION SERVICES

The concept of financial literacy and credit counseling for the rural community has been taken up quite earnestly by the Bank through following modes:

- Organized 4664 Financial Literacy Camps in different villages from 01.04.2024 to 31.03.2025 in which a total of 177232 people participated.
- 451 Village Level Programmes were also conducted during the year in which a total of 16236 people participated.
- Financial Literacy in different villages is also being spread through PGB Mobile Vans meant for financial literacy.
- In PMJDY as on 31.03.2025, covered 517566 beneficiaries. Amount of deposits in these PMJDY accounts was Rs. 163.17 Crore.
- From 01.04.2024 to 31.03.2025, Bank sourced 70030 APY subscribers.

### 22. CD RATIO

The CD Ratio of the bank as on 31.03.2025 is 76.67%. The Bank has succeeded in maintaining the CD Ratio level well above of National Goal of 60%.

### 23. RISK FUNDS

The bank has not created any such fund.







## 24. PROFITABILITY

The bank has earned total income of **Rs.1786.88 crore** during the period 01.04.2024 to 31.03.2025 which is summarized as follows:

(Amt. Rs. in '000')

Income	During the period 01.04.24 to 31.03.25	During the period 01.04.23 to 31.03.24
Interest earned on advances	98,81,478	82,06,047
Interest earned on investment	56,55,600	56,52,469
Other income	23,31,728	19,19,626
<b>TOTAL</b>	<b>1,78,68,806</b>	<b>1,57,78,142</b>

Expenditure incurred on deposits, borrowings and on the other heads during the period 01.04.2024 to 31.03.2025 is as follows:

(Amt. Rs. in '000')

Expenditure	During the period 01.04.24 to 31.03.25	During the period 01.04.23 to 31.03.24
Interest paid on deposits	81,58,447	71,97,594
Interest paid on borrowings	16,64,863	16,28,774
Establishment cost	38,26,338	29,22,178
Other expenses	13,21,381	11,47,452
<b>TOTAL</b>	<b>1,49,71,029</b>	<b>1,28,95,998</b>

## 25. PRODUCTIVITY

The productivity of the bank at the as on 31.03.2025 is as follows:

(Amt. Rs. in '000')

Productivity	As on 31.03.2025	As on 31.03.2024
Per Branch	6,09,965.71	5,65,724.16
Per Employee	1,28,104.01	1,25,031.21

## 26. FINANCIAL RATIOS: - (Per Rs. 100/- Working Funds)

The important financial ratios (annualized) for the period 01.04.2024 to 31.03.2025 are as follows.

S.No.	Parameters	During the period 01.04.24 to 31.03.25	During the period 01.04.23 to 31.03.24
	Avg. working funds in Rs.(000)	19,57,38,162	18,23,42,967
1.	Financial return	7.94	7.60
2.	Financial cost	5.02	4.84
3.	<b>Financial margin (1-2)</b>	<b>2.92</b>	<b>2.76</b>
4.	Misc. income	1.19	1.05
5.	Transaction Cost	2.63	2.23
6.	Risk cost	0.43	0.55
7.	<b>Net margin (3+4-5-6)</b>	<b>1.05</b>	<b>1.03</b>

## 27. TRANSFER PRICE MECHANISM

The bank has implemented the system of charging/ allowing interest from/to the branches by way of transfer price mechanism. As on 31.03.2025, prevailing rates are as under:





S.No.	Parameter	Interest to be Allowed/Charged
1.	Average Net Deposits (Avg Deposit-Bulk Deposit)	TPM Rate is to be allowed @ 8% p.a.
2.	Bulk Deposits	TPM Rate is to be allowed @ Weighted Average rate of Branch's Bulk Deposit.
3.	Average Net Advances (Avg Advances-Avg NPA)	TPM rate is to be Charged @ 7%p.a.
4.	Average NPA	TPM rate is to be charged @3.5%p.a.

## 28. PERFORMANCE OF THE BANK UNDER VAIBILITY PLAN

The performance of Bank under NABARD's Viability Plan for the year F.Y. 2024-2025 is as follows:

(Amt. Rs. in Crores)

Parameter	Target	Achievement
Deposits	15500	15778.21
Advances	12200	12097.22
Loan Issued	NA	11449.86
Gross Profit	340	205.49
NPA's (Terminal balance)	579.5	546.32

## 29. ACHIEVEMENT UNDER NATIONAL GOALS

The performance of the bank for the period ended 31.03.2025 vis-à-vis National Goals is as follows:

Parameters	National Goals	Achievement
Priority Sector Adv. to total Adv.	75%	87.43%
Direct Agri. Adv. to total Adv.	18%	74.47%
Small & Marginal Farmers	8%	52.37%
Micro Enterprises	7.5%	9.07%
Weaker Sector Adv. to total Adv.	15%	58.40%
Women Beneficiaries to total Adv.	6%	21.01%
C.D.Ratio	60%	76.67%

## 30. WEBSITE OF THE BANK

To keep pace with changing scenario and with a view to make available ready information about our bank, viz. Organizational Structure, Performance under various parameters, Deposit and Credit schemes, Rate of Interest, Service Charges etc., website of the bank [www.pgb.org.in](http://www.pgb.org.in) has been developed in-house. The web-site meets the RBI directions for display of Service charges and Rate of interests and the same are being regularly updated.

## 31. CORE BANKING SOLUTIONS - INFORMATION TECHNOLOGY

All the 457 Branches of our bank are working under Core Banking Solution (CBS). Today's era is Digital Technology's era and beside it has played an important role in customer's acquisition and retention. It has also carried out faster and efficient financial transaction improvement for customers' convenience.

Our bank is issuing RuPay Debit Cards, RuPay Kisan Cards (KCC Cards), RuPay PMJDY Cards to all the eligible customers.

NEFT, RTGS, IMPS, Mobile Banking, Internet Banking, WhatsApp Banking, SMS Banking, Balance by Missed Call, Personalized Cheque book, E-Com, AEPS and SMS Alert facility has also been implemented in our bank for customers' convenience.







Further, Our Bank has introduced NCMC Debit cards with contactless transaction features in 3 different variants i.e. SBGEN NCMC cards, PMJDY NCMC Cards and KCC NCMC Cards, introduced Outward Mandate facility, added 'Form 15g/h submission' functionality under mobile banking app i.e. PGB mBanking and introduced QR Standees for merchant customers at free of cost.

### **32. SOCIAL SECURITY SCHEMES (PMSBY, PMJJBY, APY)**

In PMSBY, any person between the age of 18-70 years can subscribe to the scheme and the annual premium is Rs.20/-. PMSBY is an accident insurance scheme which offers accidental death and disability cover.

In PMJJBY, any person between the age of 18 to 50 years, can subscribe to the scheme and the annual premium is Rs. 436/-. PMJJBY is term insurance policy with Life cover available up to age 55.

In APY, any person between the age of 18 to 40 years, can subscribe to the scheme. Under the APY pension of Rs. 1,000/- to Rs. 5,000/- per month will be given at the age of 60 years depending on the contributions by the subscribers.

Bank has actively participated in Social Security Schemes launched by Govt. of India and has enrolled 248214 subscribers under PMSBY, 193961 subscribers under PMJJBY and 70030 subscribers under APY during the period 01.04.2024 to 31.03.2025.

### **33. NON FUND BUSINESS- INSURANCE BUSINESS**

To augment the non-fund based income, our bank has entered in to tie up arrangement for marketing of Life and Non-Life Insurance Products with M/s PNB MetLife and M/s Future General, M/s IFFCO TOKIO General Insurance, M/s Care Health Insurance Co. Ltd. During the period 01.04.2024 to 31.03.2025, the Bank has earned commission of Rs. 5.07 Cr. from the insurance business.

### **34. NON FUND BUSINESS- MONEY TRANSFER SERVICE SCHEME**

Bank has a made a tie-up arrangement with Ebix Money Transfer for the purpose of Inward Foreign Remittance.

### **35. NON-FUND BUSINESS- OTHERS**

Locker facility is available at 207 branches. The bank is issuing guarantees on behalf of constituents. Branches are also allowed to purchase cheques up to certain limits. The bills and cheques are collected through current accounts with other banks.

### **36. INTEREST RATES**

The interest rates on deposits & advances are being revised periodically in line with market conditions as well as financial position of the bank. The rates are revised by chairman on the recommendations of ALCO.

### **37. NEW CREDIT SCHEMES**

Keeping in view the changing credit needs of our customers, the bank has launched the under noted new credit scheme during the financial year:

#### **a) PM SURYA GHAR YOJNA**

Bank has launched PM Surya Ghar Yojna for Installation of new rooftop solar power system at residential house with maximum capacity up to 10 KW. Minimum and Maximum loan amount under the scheme is Rs. 2.00 lakhs & Rs. 6.00 lakhs respectively with a maximum subsidy cap of Rs. 78,000/-.





#### b) PGB CONSTRUCTION EQUIPMENT SCHEME

Bank has approved specific scheme in place namely "PGB CONSTRUCTION EQUIPMENT SCHEME" Scheme to purchase of NEW Construction Equipment(s)/Machinery(ies)/ Vehicle(s) used in Construction/ Civil Contracts such as Dump Truck/Tippers, Pokland Machines, Cranes etc. Minimum and Maximum loan amount under the scheme is Rs. 10.00 lakhs & Rs. 5.00 crores respectively.

#### c) 'LAKHPATI DIDI' INITIATIVE FOR FINANCING INDIVIDUAL WOMEN SHG ENTREPRENEURS

In order to facilitate women SHG members to graduate to entrepreneurs, Bank has considered extending loans up to ₹1 lakhs to individual members of select matured well performing SHGs (SHGs which are more than 2 years old and have accessed at least one dose of bank loan with timely repayment).

#### d) NATIONAL MINORITY FINANCE & DEVELOPMENT CORPORATION (NMDFC) FOR FINANCING MINORITY COMMUNITIES

National Minorities Finance & Development Corporation (NMDFC), a fully owned Government of India undertaking under the aegis of The Ministry of Minority Affairs, engaged in providing financial assistance for the economic development of persons belonging to the minority communities - Muslims, Christians, Sikhs, Buddhists, Parsis and Jains.

Punjab Gramin Bank has entered into Memorandum of Understanding (MOU) with NMDFC on 18.07.2024 for financing minority communities under the various schemes of NMDFC.

Earlier, financing was allowed under below mentioned schemes of NMDFC:

1. Credit Line 1: INDIVIDUAL TERM LOAN SCHEME UPTO RS. 2.00 LAKH
2. Credit Line 2: INDIVIDUAL TERM LOAN SCHEME UPTO RS. 5.00 LAKH

#### 38. FACILITIES FOR PWD CUSTOMERS

In an important initiative, most of the Bank's Branches have been made Wheel Chair Accessible for ease of access to Branch Premises.

Further, Bank also offers Doorstep Payment of old age pension to PWD Senior Citizens & Employees have been sensitized towards the needs of PWD Customers and have been enabled to help the concerned customers in availing all types of Banking Facilities.

#### 39. PERSONNEL & TRAINING

The staff strength of the bank as on 31.03.2025 consists of 1508 Officers, 631 Office Assistants and 37 Office Attendants. The cadre-wise staff position is as follows.

	31.03.2025		31.03.2024	
	PNB Staff	RRB Staff	PNB Staff	RRB Staff
Officer- Scale VII	1	0	01	-
Officer- Scale VI	0	0	-	-
Officer- Scale V	2	3	03	04
Officer- Scale IV	1	33	01	30
Officer- Scale III	0	86	-	95
Officer- Scale II	0	387	-	328
Officer- Scale I	0	999	-	915
Clerk/ Cashier	0	631	-	604
Messenger	0	37	-	42
<b>Total</b>	<b>4</b>	<b>2176</b>	<b>05</b>	<b>2018</b>





To enhance the knowledge, skill development and enable the staff members to perform efficiently, the training is being imparted to staff at Bank's own training Centre at Jalandhar, besides nominating them to various other online training programs conducted by various training institutions viz. CAB Pune, BIRD Lucknow etc.

#### 40. THE RIGHT TO INFORMATION ACT- 2005

The Right to Information Act, 2005, enacted by the Parliament of India, came into effect on October 12, 2005. As a statutory body established under a law enacted by the Central Government, our Bank is classified as a Public Authority under the provisions of the Act.

In compliance with the provisions of the RTI Act, the Bank has designated two officials to serve as the Central Public Information Officer (CPIO) and the Central Assistant Public Information Officer (CAPIO) to ensure the efficient handling and timely dissemination of information requests. Additionally, the General Manager of the Bank has been designated as the Appellate Authority under the Act, responsible for addressing appeals against decisions of the CPIO.

Detailed guidelines and instructions pertaining to the implementation of the RTI Act have been disseminated to all branches to ensure thorough understanding and strict adherence to the statutory requirements.

#### 41. RESERVE BANK INTEGRATED OMBUDSMAN SCHEME 2021

In order to provide an independent forum as part of confidence building measures among bank's valued clientele, the bank has implemented the **Reserve Bank Integrated Ombudsman Scheme, 2021** as per directions from Reserve Bank of India. This scheme covers all Scheduled Banks including RRBs. Under the scheme, the Bank Ombudsman has authority to look into the complaints of customers in the area concerning deficiencies in bank's various services. Copies of the scheme have been made available to all the branches/offices of the bank for due compliance. General Manager of the bank has been nominated as the Nodal Officer for the Office of the Banking Ombudsman, Chandigarh, for supervising all the matters pertaining to Banking Ombudsman. The Banking Ombudsman has issued letter of appreciation to our bank for timely redressal of complaints.

#### 42. INTERNAL CONTROL

- Housekeeping of the bank continues to be good.
- The Bank has been carrying out the Regular Inspections of the Branches by Internal Auditors as per prescribed periodicity. The reports are closed within the stipulated period. The position of Inspection Rating of the Branches is as follows.

Risk Rating	Position as on 31.03.2025	Position as on 31.03.2024
Low	392	389
Medium	48	42
High	02	00
Total	442*	431

\*As on 31.03.2025, out of 457 branches of the bank, 442 branches were rated under RBIA system while 15 branches are not due for RBIA audit.

#### 43. AUDIT AND INSPECTION

- Inspection by NABARD:** The NABARD Inspection for the Financial Position of the Bank as on 31.03.2024 was conducted by NABARD from 29.05.2024 to 21.06.2024. All the observations/deficiencies have been dealt with and report stand closed and bank has been awarded rating of B+.

- Risk Based Management Audit by Punjab National Bank:** The Risk Based Management Audit of the Bank for the year ended 31.03.2024 was conducted by MARO, Punjab National Bank, New Delhi on





02.01.2025. We have received the observations from MARD officials and compliance report is being submitted shortly.

#### **44. BOARD MEETINGS**

In compliance with the RRB Act, 1976 section 29(2b), Six (6) Board Meeting was conducted during the period 01-04-2024 to 31-03-2025.

#### **45. ACKNOWLEDGEMENT**

The Board of Directors owes its deep gratitude and sincere thanks to Govt. of India, Reserve Bank of India, NABARD, Sponsor Bank (Punjab National Bank), Govt. of Punjab and District Administration of various districts for their valuable guidance, active cooperation and timely support which has enabled the bank to excel during the year.

The Board expresses its sincere thanks to the valuable customers and well-wishers for their unflinching faith, unstinted support and esteemed patronage.

The overall performance of the bank would not have been possible without the deep devotion, sincere efforts and cooperation of the staff members of the bank at all levels. The Board is pleased to record its appreciation for the dedicated services rendered by the staff in projecting a good image of the Bank for achieving its cherished objectives.

With a deep sense of satisfaction, we re-dedicate ourselves to fulfill the expectations and aspirations of Bank's Stake-holders and the clientele.

For and on behalf of Board of Directors

  
(Gajendar Kumar Negi)

Chairman





# PERFORMANCE OF THE BANK AT A GLANCE

(Amt. Rs.in '000's)

A	KEY PERFORMANCE INDICATOR	31.03.2025	31.03.2024
		(From 01.04.2024 to 31.03.2025)	(From 01.04.2023 to 31.03.2024)
1	No. of districts covered	23	23
2	No. of branches	457	446
	a) Rural	367	361
	b) Semi urban	67	64
	c) Urban	22	20
	d) Metropolitan	01	01
3	Total staff (excluding sponsor bank staff)	2176	2018
	of which officers	1508	1372
4	Deposits	157782105	142747352
	Growth %	10.53%	6.60%
5	Borrowings outstanding	32765681	33956826
	Growth %	-3.51%	30.22%
6	Gross loans & advances outstanding	120972228	109565623
	Growth %	10.41%	12.86%
	Of 6 above, loans to Priority sector	105769175	99699310
	Of 6 above, loans to SC/STs	6289236	5222414
	Of 6 above, loans to SF/MF/AL	63353911	61863559
	Of 6 above, loans to Minorities	609459	628309
	Of 6 above, loans to Agri. Sector	90092651	85834598
7	CD Ratio (%)	76.67	76.75
8	Investments outstanding (incl. bal. with banks)	79269128	78186777
	Growth %	1.38%	6.00%
	SLR investment outstanding	45341419	50387450
	Non-SLR investment outstanding	33927709	27799327

B.	AVERAGES	31.03.2025	31.03.2024
		(From 01.04.2024 to 31.03.2025)	(From 01.04.2023 to 31.03.2024)
9	Average deposits	149622607	137796516
10	Average borrowings	26576484	26693427
11	Average Gross loans and advances	112385525	98007309
12	Average investments (incl. bal. with banks)	74453247	75506762
13	Average SLR investment	45454688	48500803
14	Avg. Non SLR investment	1190859	1179292
15	Average working funds	195738162	182342967





<b>C. LOANS ISSUED DURING THE YEAR</b>			
16	Loans issued during the year	114498610	112398450
	of 16 above loans to priority sector	100087407	100170445
	of 16 above, loans to SC/ST	4787261	3872634
	of 16 above, loans to SF/MF/AL/ others	54872735	54336815
<b>D. PRODUCTIVITY</b>			
17	Per branch	6,09,965.71	565724.16
	Per staff	1,28,104.01	125031.21
<b>E. ASSET CLASSIFICATION</b>			
18	a. Standard	115508982	103965219
	b. Sub-standard	1460212	1789516
	c. Doubtful	3951003	3765542
	d. Loss	52031	45346
	<b>TOTAL</b>	120972228	109565623
19	Std. assets as %age to gross loans & adv o/s	95.48%	94.89
<b>F. PROFITABILITY ANALYSIS</b>			
20	<b>Interest paid on</b>		
	a. Deposits	8158447	7197594
	b. Borrowings	1664863	1628774
21	Salary	3826338	2922178
22	Other operating expenses	1321381	1147452
23	<b>Provisions</b>		
	Against NPA (inclusive of provision of Std. Assets)	715125	995203
	Against Non-Borrowal Frauds	7067	965
	EXPENDITURE-PROV FRAUD BORROWAL NPA	120688	-
24	<b>Interest received on</b>		
	Loans & Advances	9881478	8206047
	SLR Investments	3228286	3386134
	Non SLR Investments (Including FDRs with Banks & CRR)		2266335
	Balance with RBI	0	0
25	Other Income	2331541	1919626
26	<b>Profit/Loss (+/-)</b>	<b>2107891</b>	<b>1885976</b>
27	Share capital deposits received	0	0
28	<b>DICGC</b>		
	Claims received but pending adjustment	0	0
29	<b>Loans written off</b>		
	Accounts	3554	6429
	Amount	5756.22	596055
30	<b>Reserves &amp; Surplus</b>	16038930	14463669







31	Breakeven Analysis (%)		
	Cost of deposits	5.45	5.22
	Cost of borrowings	6.26	6.1
	Cost of funds	5.02	4.84
	Return on advances	9.24	8.89
	Return on investments	7.60	7.49
	Return on Funds	7.94	7.6
	<b>Financial margin</b>	<b>2.92</b>	<b>2.76</b>
	Misc. income as %age of working funds	1.19	1.05
	Transaction cost as %age of working funds	2.63	2.23
	Incremental risk cost as %age working funds	0.43	0.55
	<b>Net margin</b>	<b>1.05</b>	<b>1.03</b>

