

**STATE BANK OF PATIALA**  
**HEAD OFFICE, THE MALL PATIALA**  
**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED**  
**31st MARCH 2016**

**Rs in Crores**

	<i>Particulars</i>	<i>Quarter Ended</i>			<i>Year Ended</i>	
		<b>31.03.16</b>	<b>31.12.15</b>	<b>31.03.15</b>	<b>31.03.16</b>	<b>31.03.15</b>
		<b>(Audited)</b>	<b>(Reviewed)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
<b>1</b>	<b>Interest earned (a)+(b)+(c)+(d)</b>	<b>2596.35</b>	<b>2601.62</b>	<b>2555.48</b>	<b>10457.10</b>	<b>10351.35</b>
	(a) Interest/discount on advances/bills	2002.71	2007.97	2032.83	8145.56	8216.60
	(b) Income on investments	553.81	546.94	474.98	2090.51	1873.30
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	6.38	19.05	2.95	84.21	67.38
	(d) Others	33.45	27.66	44.72	136.82	194.07
<b>2</b>	<b>Other Income</b>	<b>384.90</b>	<b>249.40</b>	<b>394.12</b>	<b>1121.36</b>	<b>1006.71</b>
<b>3</b>	<b>TOTAL INCOME (1+2)</b>	<b>2981.25</b>	<b>2851.02</b>	<b>2949.60</b>	<b>11578.46</b>	<b>11358.06</b>
<b>4</b>	<b>Interest Expended</b>	<b>1960.50</b>	<b>1967.68</b>	<b>1899.77</b>	<b>7831.56</b>	<b>7754.41</b>
<b>5</b>	<b>Operating Expenses (i)+(ii)</b>	<b>521.16</b>	<b>512.87</b>	<b>491.82</b>	<b>1919.26</b>	<b>2004.19</b>
	(i) Employees Cost	305.21	309.21	306.16	1093.69	1280.73
	(ii) Other operating expenses	215.95	203.66	185.66	825.57	723.46
	Of which items exceeding 10% of the total expenditure excluding interest expenditure :					

	Rent Taxes and Lighting	56.37	54.32	52.01	215.99	197.43
6	<b>TOTAL EXPENDITURE (4)+(5)</b> (excluding Provisions and Contingencies)	<b>2481.66</b>	<b>2480.55</b>	<b>2391.59</b>	<b>9750.82</b>	<b>9758.60</b>
7	<b>OPERATING PROFIT (3-6)</b> (Profit before Provisions and Contingencies)	<b>499.59</b>	<b>370.47</b>	<b>558.01</b>	<b>1827.64</b>	<b>1599.46</b>
8	<b>Provisions (other than tax) and Contingencies</b>	1496.40	1061.48	363.91	3172.33	1038.04
9	<b>Exceptional Items</b>	0.00	0.00	0.00	0.00	0.00
10	<b>Profit(+)/Loss(-) from Ordinary Activities before tax (7-8-9)</b>	<b>(996.81)</b>	<b>(691.01)</b>	<b>194.10</b>	<b>(1344.69)</b>	<b>561.42</b>
11	MAT Credit Entitlement	0.00	0.00	0.00	0.00	0.00
12	<b>Tax Expenses</b>	(491.71)	(0.70)	67.86	(372.29)	199.36
13	<b>Net Profit(+)/Loss(-) from Ordinary Activities after tax (10+11-12)</b>	<b>(505.10)</b>	<b>(690.31)</b>	<b>126.24</b>	<b>(972.40)</b>	<b>362.06</b>
14	<b>Extraordinary items (net of tax expenses)</b>	0.00	0.00	0.00	0.00	0.00
15	<b>Net Profit(+)/Loss(-) for the period (13-14)</b>	<b>(505.10)</b>	<b>(690.31)</b>	<b>126.24</b>	<b>(972.40)</b>	<b>362.06</b>
16	<b>Paid-up equity share capital (Face value of shares is Rs 100 each)</b>	<b>661.53</b>	<b>479.51</b>	<b>479.51</b>	<b>661.53</b>	<b>479.51</b>
17	<b>Reserves excluding Revaluation Reserves</b> (* as per balance sheet of corresponding previous accounting year)	<b>6365.13</b>	<b>6764.76*</b>	<b>6764.76</b>	<b>6365.13</b>	<b>6764.76</b>

18	<b>Analytical Ratios</b>					
	(i) Percentage of shares held by Govt. of India	Nil	Nil	Nil	Nil	Nil
	(ii) Capital Adequacy Ratio (BASEL-III)	11.50%	11.06%	12.06%	11.50%	12.06%
	(iii) Earning per share (of RS 100 each) Not Annualized					
	a) Basic and diluted EPS before extra ordinary items (net of tax expenses) for the period, for the year to date and for the previous year (not to be annualised) (in RS)	(104)	(144)	28	(202)	93
	b) Basic and diluted EPS after extra ordinary items (net of tax expenses) for the period, for the year to date and for the previous year (not to be annualised) (in RS)	(104)	(144)	28	(202)	93
	(iv) NPA Ratios					
	(a) Amount of Gross non-performing assets	6766.57	5788.55	4359.73	6766.57	4359.73
	(b) Amount of Net non-performing assets	3268.16	3237.48	3049.23	3268.16	3049.23
	(c) % of Gross NPAs to Gross Advances	7.87	7.02	5.41	7.87	5.41
	(d) % of Net NPAs to Net Advances	3.98	4.07	3.88	3.98	3.88
	(v) Return on Average Total Assets (Annualized)	(1.66)	(2.29)	0.46	(0.82)	0.33

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**Segment Information :**

**Rs in Crores**

	<i>Particulars</i>	<i>Quarter Ended</i>			<i>Year Ended</i>	
		<b>31.03.16</b>	<b>31.12.15</b>	<b>31.03.15</b>	<b>31.03.16</b>	<b>31.03.15</b>
		<b>(Audited)</b>	<b>(Reviewed)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
<b>1</b>	<b>Segment Revenue</b>					
	(a) Treasury Operations	625.36	631.94	551.65	2443.22	2161.32
	(b) Corporate/Wholesale Banking	1071.74	1105.59	1217.33	4494.65	4896.30
	(c) Retail Banking	1281.71	1113.49	1166.21	4624.43	4256.35
	(d) Other	2.44	0.00	14.41	16.16	44.09
	<b>Total</b>	<b>2981.25</b>	<b>2851.02</b>	<b>2949.60</b>	<b>11578.46</b>	<b>11358.06</b>
	Less: Inter Segment Revenue	0	0.00	0.00	0.00	0.00
	<b>Net Income from Operations</b>	<b>2981.25</b>	<b>2851.02</b>	<b>2949.60</b>	<b>11578.46</b>	<b>11358.06</b>
<b>2</b>	<b>Segment Results after provisions and before tax</b>					
	(a) Treasury Operations	67.21	42.19	42.89	192.05	150.25
	(b) Corporate/Wholesale Banking	(588.13)	(421.40)	85.65	(860.56)	236.25
	(c) Retail Banking	(416.45)	(249.93)	123.25	(418.87)	373.37
	<b>Total</b>	<b>(937.37)</b>	<b>(629.14)</b>	<b>251.79</b>	<b>(1087.38)</b>	<b>759.87</b>
	Less: Unallocated Expenses (Unallocated Income)	59.44	61.87	57.69	257.31	198.45
	<b>Profit before Tax</b>	<b>(996.81)</b>	<b>(691.01)</b>	<b>194.10</b>	<b>(1344.69)</b>	<b>561.42</b>
	Add: MAT Credit Entitlement	0.00	0.00	0.00	0.00	0.00
	Less: Income Tax	(491.71)	(0.70)	67.86	(372.29)	199.36
	Extra Ordinary Profit (+) / Loss (-)	0.00	0.00	0.00	0.00	0.00
	<b>Net Profit</b>	<b>(505.10)</b>	<b>(690.31)</b>	<b>126.24</b>	<b>(972.40)</b>	<b>362.06</b>

<b>3</b>	<b>Segment Assets</b>					
	(a) Treasury Operations	36629.44	33472.98	30091.40	36629.44	30091.40
	(b) Corporate/Wholesale Banking	46666.39	46135.13	45364.58	46666.39	45364.58
	(c) Retail Banking	39945.18	37550.99	37049.35	39945.18	37049.35
	(d) Unallocated Assets	7795.20	2968.55	4203.77	7795.20	4203.77
	<b>Total Segment Assets</b>	<b>131036.21</b>	<b>120127.65</b>	<b>116709.10</b>	<b>131036.21</b>	<b>116709.10</b>
<b>4</b>	<b>Segment Liabilities</b>					
	(a) Treasury Operations	1244.46	1460.86	1592.18	1244.46	1592.18
	(b) Corporate/Wholesale Banking	64329.56	60782.60	58248.94	64329.56	58248.94
	(c) Retail Banking	51995.12	46349.83	44444.87	51995.12	44444.87
	(d) Unallocated Liabilities	5580.08	4757.40	5178.85	5580.08	5178.85
	<b>Total Segment Liabilities</b>	<b>123149.22</b>	<b>113350.69</b>	<b>109464.84</b>	<b>123149.22</b>	<b>109464.84</b>
<b>5</b>	<b>Capital Employed (Segment Assets - Segment Liabilities)</b>					
	(a) Treasury Operations	35384.98	32012.12	28499.22	35384.98	28499.22
	(b) Corporate/Wholesale Banking	(17663.17)	(14647.47)	(12884.36)	(17663.17)	(12884.36)
	(c) Retail Banking	(12049.94)	(8798.84)	(7395.52)	(12049.94)	(7395.52)
	(d) Unallocated Capital	2215.12	(1788.85)	(975.08)	2215.12	(975.08)
	<b>Total</b>	<b>7886.99</b>	<b>6776.96</b>	<b>7244.26</b>	<b>7886.99</b>	<b>7244.26</b>

Notes of even date form an integral part of the financial results.

**STATE BANK OF PATIALA**

**BALANCE SHEET AS ON 31ST MARCH 2016**

(₹ in Crores)

	<b>Capital &amp; Liabilities</b>	<b>As on 31st March 2016</b>	<b>As on 31st March 2015</b>
1	Capital	661.53	479.51
2	Reserves and Surplus	7225.46	6764.76
3	Deposits	106953.66	91417.43
4	Borrowings	7257.32	10797.02
5	Other Liabilities and Provisions	8938.24	7250.38
	<b>TOTAL</b>	<b>131036.21</b>	<b>116709.10</b>
	<b>Assets</b>	<b>As on</b>	<b>As on</b>
		<b>31st March 2016</b>	<b>31st March 2015</b>
1	Cash & Balances with Reserve Bank of India	5134.39	5241.47
2	Balances with Banks & Money at Call & Short Notice	210.55	79.49
3	Investments	30917.02	24455.52
4	Advances	82185.71	78642.13
5	Fixed Assets	1389.90	502.64
6	Other Assets	11198.64	7787.85
	<b>TOTAL</b>	<b>131036.21</b>	<b>116709.10</b>

## STATE BANK OF PATIALA

### **NOTES FORMING PART OF THE STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**

1. The Financial results have been arrived at after considering Provisions for NPAs, Standard Assets and diminution in fair value of advances in respect of restructured accounts, all applicable taxes and other usual necessary provisions. There are no changes in the Accounting Policies during the period except in respect of depreciation on Fixed Assets.
2. Due to change in the useful life of certain fixed assets the depreciation has been charged less by ₹ 9.74 crore and the Fixed Assets in Balance Sheet as on 31.03.2016 is more to that extent. Depreciation amount which would have been charged to P&L Account for the F.Y 2015-16 had there been no change in the rates and methods of depreciation is ₹ 90.96 Crore.
3. During the financial year 2015-16, the Bank has revalued its owned properties comprising land and building at ₹1045.15 Crore against cost of ₹ 206.60 Crore (Net Book Value as per SLM of ₹184.82 Crore) on the basis of valuation reports of two independent qualified external valuers. Consequently, an incremental amount of ₹860.33 Crore has been debited to Fixed Assets and credited to Revaluation Reserve shown under Schedule 2- Reserve & Surplus in Balance Sheet.
4. Provision of ₹ 0.58 crore has been made towards Unhedged Foreign Currency Exposure in terms of RBI circular DBOD.No.BP. BC.85/21.06.200/2013-14 dated 15<sup>th</sup> January 2014. The Risk Weight Assets requirement in terms of the above circular is ₹ 108.75 crores.
5. The Bank's operations are classified into three segments viz. Treasury, Corporate/ Wholesale Banking and Retail Banking. The Bank operates only in Domestic Geographic segment.
6. In terms of RBI circular DBR. No. BP.BC. 1/21.06.201/2015-16 dated 01<sup>st</sup> July 2015, banks are required to make Pillar-3 disclosures under Basel III Capital Regulations with effect from 30<sup>th</sup> September 2013. The disclosures have been placed on the website of the bank which can be accessed at the link [https://www.sbp.co.in/Base\\_Disclosures.aspx](https://www.sbp.co.in/Base_Disclosures.aspx). These disclosures have not been subjected to audit by the Statutory Auditors of the Bank.

7. In terms of RBI guidelines, Banks can spread over any shortfall, if the sale value of the financial assets sold to SCs/ RCs is lower than NBV, over a period of two years. Accordingly, Bank has spread the shortfall of ₹ 202.89 crores over a period of two years during FY 2014-15, out of which ₹ 126.80 crores has been amortized upto 31<sup>st</sup> March 2016, thereby leaving an unamortized sum of ₹ 76.09 crores. Further, out of the total shortfall of ₹ 109.47 crores on account of financial assets sold to SCs/ RCs during FY 2015-16, Bank has amortized a sum of ₹ 39.61 crores, leaving an unamortized sum of ₹ 69.86 crores. Aggregate unamortized amount as on 31<sup>st</sup> March 2016 is ₹ 145.95 crores.
8. In compliance of RBI circular DBR.BP.BC.No.31/21.04.018/2015-16 dated 16<sup>th</sup> July 2015, Bank has classified its deposits placed with NABARD/ SIDBI and NHB on account of shortfall in lending to Priority Sector, under “Other Assets” which were earlier classified under “Investments”. Interest income on these deposits has been clubbed under “Interest Income- Others”.
9. During the year, the Bank has reported 42 frauds to RBI amounting to ₹ 410.75 crore (net of recovery). Against this a provision of ₹ 365.55 crore has been made during the year. In terms of RBI circular DBR.No.BP.BC.83/21.04.048/2014-15 dated April 1, 2015, balance un-provided provision of ₹ 45.20 crore will be provided in the coming quarters as per RBI guidelines. Further, in terms of RBI circular DBR.No.BP.BC.92/21.04.048/2015-16 dated April 18, 2016, the Bank has debited other reserves by this unamortised provision and credited to the provisions.
10. Corresponding period’s figures have been regrouped/adjusted, wherever considered necessary to make these comparable.
11. The above results have been reviewed by the Audit Committee of the Board in its meeting held on 28<sup>th</sup> April 2016 and approved by the Board of Directors at its meeting held on 28<sup>th</sup> April 2016.

(S.A. Ramesh Rangan)  
Managing Director