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Independent Auditor's Report on Audited Financial results for Quarter and Year ended 31st March, 2022 of Punjab & Sind Bank Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

**TO THE BOARD OF DIRECTORS
PUNJAB & SIND BANK
NEW DELHI**

Report on the Audit of the Financial Results

Opinion

1. We have audited the accompanying Financial Results of Punjab & Sind Bank ("the Bank") for the quarter and year ended March 31, 2022 attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 & 52 read with regulations 62(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), except for the disclosures relating to Pillar 3 disclosure as at March 31, 2022, including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Financial Results (Note no 15) and have not been audited by us.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the Bank Branch Auditors as referred to in paragraph no.9 below, these financial results:
 - a. are presented in accordance with the requirements of Regulation 33 & 52 of the Listing Regulations in this regard except for the disclosures relating to Pillar 3 disclosure as at March 31, 2022, including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Financial Results and have not been audited by us; and
 - b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, the relevant provision of Banking Regulation Act, 1949, RBI guidelines and other accounting principles generally accepted in India of the net profit and other financial information for the quarter ended as well as year ended March 31, 2022

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to the following:
 - a) Note No. 16 to the accompanying financial results, which describes the uncertainties due to outbreak of Covid-19 pandemic and the management's assessment of its impact on the business operations of the bank;
 - b) Note. 20 regarding amortization of estimated additional liability on account of revision in family pension amounting to Rs. 236.84 Crore. As stated there in, the bank has charged an amount of Rs. 47.37 crore to the Profit & Loss account for the current financial year and the balance unamortized expense of Rs. 189.47 crore has been carried forward in the Balance Sheet.

Our opinion is not modified in respect of above matters.

Board of Directors' Responsibility for the Financial Results

5. These Financial Results have been prepared from the related audited Annual Financial Statements. The Bank's Board of Directors are responsible for the preparation and presentation of these Financial Results that give a true and fair view of the financial positions, financial performance and cash flows of the bank in accordance with the accounting principle generally accepted in India including Accounting Standards issued by the Institute of Chartered Accountants of India, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines"), judicial pronouncements and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Banking Regulation Act, 1949 for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

6. Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatement in the financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factors in: (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the financial statement.

7. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
8. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

9. These Financial Results incorporate relevant returns of Integrated Treasury Division and 20 branches audited by us and 780 Branches and 26 Offices/ Processing Centers audited by Statutory Branch Auditors. The branches audited by other auditors cover 36.93% of advances and 53.17% of deposits, 31.54% of Non-performing assets as on 31st March, 2022 and 13.57% of revenue for the year ended 31st March, 2022.
10. In conduct of our audit, we have taken note of the unaudited returns in respect of 730 branches certified by the respective branch's management. These unaudited branches cover 9.82% of advances, 26.78% of deposits, 3.91% of Non-performing assets as on 31st March, 2022 and 19.79% of revenue for the year ended 31st March, 2022.
11. We report that the figures for the quarter ended March 31, 2022 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2022 and the published unaudited year to date figures up to the December 31, 2021 being the date of the end of the third quarter of the current financial year, which were subjected to limited review by us.

Our opinion on the financial results is not modified in respect of above matters.

12. The Financial results of the bank for the previous year ended 31st March 2021 were audited by the joint auditors, two of them were predecessor audit firms and have expressed unmodified opinion on such Financial Results. Further the unaudited financial results of the bank for the quarter ended 30th June 2021 were reviewed by the joint auditors two of them are predecessor audit firms and have expressed there unmodified opinion on such Financial Results.

<p>For M/S Ghiya & Co Chartered Accountants FRN: 001088C</p> <p>CA Ashish Ghiya Partner M.No. 427062 UDIN: 22427062AJFWPA6880 Place: New Delhi</p>	<p>For M/s Shiv & Associates Chartered Accountants FRN: 009989N</p> <p>CA Manish Gupta Partner M. No. 095518 UDIN: 22095518AJFZEZ4548 Place: New Delhi</p>
<p>For M/S Chaturvedi & CO. Chartered Accountants FRN: 302137E</p> <p>CA R.K. Nanda Partner M.No. 510574 UDIN: 22510574AJFVWH2712 Place: New Delhi</p>	<p>For M/s Manohar Chowdhry & Associates Chartered Accountants FRN: 001997S</p> <p>CA Sandeep Mogalapalli Partner M. No. 221848 UDIN: 22221848AJGAYR6193 Place: New Delhi</p>

Dated: May 19, 2022

Place: New Delhi