

Secretarial Audit Policy

**Division : Share Department
(Board & Coordination Division)**
Version : 02/2023



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PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

Policy Custodian

Division	Share Department (Board & Coordination Division)
Officer in-charge	Company Secretary
Policy Contact	hosd@pnb.co.in

Policy Version Control

Sr. No.	Version Number	Version Date	Summary of changes
1	01/2022	27.09.2022	The Policy was formulated pursuant to the direction of the Audit Committee of Board in its meeting held on 29.04.2022 to provide a comprehensive framework for conducting Secretarial Audit of the Bank. The observations/directions of the Audit Committee of the Board in the meeting held on 27.09.2022 were duly incorporated in the Policy.
2	01/2023	28.02.2023	Definition of “Substantial Conflict of Interest” added to provide clarity.
3	02/2023	27.02.2024	<p>In Para 2.8 relating to Reporting System, the SEBI Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019 has been substituted by SEBI ‘Master Circular for Compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities’ (Ref. No. SEBI/HO/CFD/PoD2/ CIR/P/2023/120) dated 11.07.2023.</p> <p>Further, the format of Annual Secretarial Compliance Report (Annexure-V of the Policy) has been aligned with the revised format prescribed in the aforesaid Master Circular.</p>

Policy Governance

Frequency Of Review	Annual
Last reviewed on	28.02.2023
Approval Path	ACE → ACB → BOARD
Supersedes	Policy dated 28.02.2023

Contents

1. Policy Overview	4
2. Policy Details	4
2.1 Objective	4
2.2 Scope and Applicability	4
2.3 Policy contents	5
2.4 Authority for Approving Operational Guidelines	9
2.5 Disclosure of the Policy	9
2.6 Ownership of the Policy	9
2.7 Validity and Review of the Policy	9
2.8 Reporting System	9
2.9 Authority to allow deviations	10
Appendix.....	
A. Glossary	11
B. List of References	11
Annexures.....	
Annexure-I - Process of Empanelment of PCS Firms	12
Annexure-II - Format of Declaration	14
Annexure-III - Format of Certificate	15
Annexure-IV - Format of Secretarial Audit Report	16
Annexure-V - Format of Secretarial Compliance Report	19

1. Policy Overview

- 1.1. Our Bank is a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. The Bank is also a *listed entity* and is therefore required to comply with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [*hereinafter referred to as 'SEBI (LODR) Regulations'*] and other Guidelines issued by the Securities Exchange Board of India (SEBI) from time to time, in this regard.
- 1.2. In terms of Regulation 24A(1) of the SEBI (LODR) Regulations, every listed entity and its material unlisted *subsidiaries* incorporated in India shall undertake a Secretarial Audit on a yearly basis. The Secretarial Audit Report given by a Company Secretary in Practice, in such form as specified, shall be annexed with the Annual Report of the listed entity.
- 1.3. The Policy was formulated pursuant to the direction of the Audit Committee of the Board.

2. Policy Details

2.1. Objective:

- 2.1.1. Secretarial Audit is a process to check compliance in respect of provisions of various laws/rules/regulations/standards/procedures applicable to the Bank and adherence to good governance practices with regard to the systems and processes, as may be necessary, for carrying out activities of the Bank, in a lawful manner and the maintenance of Minutes and records relating to approvals or decisions of Board/Committees/General Body meetings.
- 2.1.2. The foremost objective of Secretarial Audit is to safeguard the interest of Bank's stakeholders by way of facilitating monitoring of compliances in accordance with the requirements of law. It helps in identifying areas of non-compliances/inadequate compliances, if any.

2.2. Scope and Applicability:

- 2.2.1. The Policy lays down the framework for conduct of Secretarial Audit, inter alia, including the process of appointment of the Secretarial Auditor and the scope of Audit, in accordance with the applicable statutory/regulatory requirements.
- 2.2.2. The Policy shall be effective for Secretarial Audit to be undertaken for FY 2024-25.

2.3. Policy Contents:

2.3.1. Definitions:

- i. “Bank” means Punjab National Bank.
- ii. “Board” means the Board of Directors of the Bank constituted under Section 9 (3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.
- iii. “ICSI” means the Institute of Company Secretaries of India constituted under an Act of Parliament, the Company Secretaries Act, 1980, to develop and regulate the profession of Company Secretaries in India.
- iv. “Immediate Relatives” means spouse and dependent parents, siblings and children.
- v. “SEBI (LODR) Regulations” means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by Securities and Exchange Board of India (SEBI), as amended from time to time.
- vi. “Stock Exchanges” means the National Stock Exchange of India Ltd. and BSE Ltd., where the securities of the Bank are listed.
- vii. “Substantial Conflict of Interest” means:
 - a) Holding of more than 2% in the paid up share capital or shares of nominal value of rupees fifty thousand, whichever is lower or more than 2% voting power, as the case may be, by the Auditor singly or along with partners, spouse, parent, sibling, and child of such person or of the spouse, any of whom is dependent financially on such person.
 - b) Indebtedness of the Auditor for an amount exceeding rupees five lakh other than that arising out of ordinary course of business of the Bank: Provided that any indebtedness that may seriously impair his independence shall also be considered as substantial conflict of interest.
 - c) Where an Auditor was in employment of the Bank, its holding or subsidiary company and 2 (two) years have not lapsed from the date of cessation of employment, the same shall be considered as substantial conflict of interest.

2.3.2. Appointment of Secretarial Auditor:

- i. In terms of the provisions of SEBI (LODR) Regulations, only a member of the Institute of Company Secretaries of India (ICSI) holding a Certificate of Practice,

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PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

i.e., Practicing Company Secretary (PCS) can conduct Secretarial Audit and issue the Secretarial Audit Report.

- ii. The appointment of Auditors falls within the purview of the Audit Committee of the Board as per the terms of reference of the Audit Committee as prescribed under SEBI (LODR) Regulations. Accordingly, the Audit Committee of the Board of the Bank shall approve the appointment of Secretarial Auditor.
- iii. The selection of the Secretarial Auditor shall be made from the PCS Firms empanelled with the Bank. The process for empanelment of the PCS firms along with the Eligibility Criteria is placed as Annexure-I.
- iv. The Bank shall invite financial quotes in a sealed envelope from the empanelled PCS Firms and the Firm quoting the lowest shall be shortlisted and recommended to the Audit Committee of Board (ACB) for appointment as Secretarial Auditor.
- v. Upon approval of the ACB, letter of appointment/engagement shall be issued to the selected Auditor.
- vi. The appointment shall be made during the first quarter of the financial year for which the Audit is to be undertaken and shall be valid till completion of Audit of the relevant period.
- vii. A Declaration to the effect that the proposed Secretarial Auditor is not having any substantial conflict of interest in terms of Auditing Standards issued by ICSI shall be obtained from the Firm/Proprietor/Partner(s), before being appointed as Secretarial Auditor of the Bank in the format as per Annexure-II. Any conflict of interest, other than substantial conflict of interest, shall be disclosed by the Auditor before accepting the Audit Engagement or as soon as the Auditor becomes aware of the same.
- viii. Further, the Bank shall also obtain a Certificate, before appointment, to the effect that the Firm/Proprietor/Partner(s), proposed to be appointed as Secretarial Auditor of the Bank, complies with all the eligibility norms prescribed by the Regulatory Authorities and that the Firm/Partner(s)/Proprietor has not been barred/blacklisted/penalized by any Scheduled Commercial Bank/Public Sector Undertaking/State or Central Government or their Departments/Statutory Authority/Regulatory Authorities such as IRDA, RBI, SEBI, etc., or The Institute of Company Secretaries of India, Ministry of Corporate Affairs (MCA), Registrar of Companies (RoC) in the format as per Annexure-III.

2.3.3. Scope of Audit:

- i. The Secretarial Auditor shall discuss the scope and objectives of the audit, gather information on Board processes, evaluate existing compliance mechanism and prepare the audit plan.

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SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

- ii. The Secretarial Auditor shall cross-verify the filings made by the Bank with SEBI, Stock Exchanges & other Authorities, independently. Verification of record and enquiries can also be made in case of tax laws, FEMA Guidelines, etc., with other Auditors such as Internal Auditors, Statutory Central Auditors (SCAs), etc.
- iii. The Secretarial Auditor shall issue the Reports as detailed under Para 2.8 of the Policy.
- iv. In addition to the examination as necessitated as per the format of the report(s) as stipulated under Para 2.8, the Secretarial Auditor shall also examine and report the compliance of the following laws/regulations as may be specifically applicable to the Bank, viz.:
 - a. Guidelines, Regulations issued by SEBI as applicable to Capital Market Intermediaries, Merchant Bankers, Bankers to an Issue, Debenture Trustees.
 - b. The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;
 - c. The Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970;
 - d. Punjab National Bank (Shares & Meeting) Regulations, 2000
 - e. Reserve Bank of India Act, 1934 and Master Directions, Notifications and Guidelines issued by RBI from time to time.
 - f. The Banking Regulation Act, 1949.
 - g. Payment and Settlement Systems Act, 2007
 - h. Any other Law/Guidelines/Directives issued by Government of India applicable to the Bank.
- v. Further, the Secretarial Auditor shall examine and report on the compliance with the applicable clauses of the following:
 - a. Secretarial Standards issued by ICSI, if applicable;
 - b. The Listing Agreements entered into by the Bank with the Stock Exchange(s).
- vi. The Secretarial Auditor shall also report on whether:
 - a. The Board of Directors of the Bank is duly constituted in accordance with the Laws/Regulations applicable to the Bank.
 - b. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the applicable Laws/Regulations.
 - c. Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in accordance with the applicable guidelines, and a system exists for seeking and obtaining

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PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

- further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d. Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the Minutes.
 - e. There are adequate systems and processes in the Bank commensurate with the size and operations of the Bank to monitor and ensure compliance with all applicable Laws and Regulations.
 - f. Whether there are any qualifications with regard to the compliance of the applicable laws and if any penalties have been levied on the Bank by the Regulators.
- vii. Secretarial Auditor shall also report and provide details of specific events and actions that occurred during the reporting period having major bearing on the affairs of the Bank in pursuance of above referred laws/rules & regulations such as capital raised during the year through public/right/preferential issue, private placement, etc.
- 2.3.4. Professional Responsibilities of the Secretarial Auditor:
- i. The Secretarial Auditor shall be strictly guided by the relevant professional standards in discharge of his/her audit responsibilities with highest diligence. He/she shall as far as applicable adhere to the guidelines issued by the ICSI in this regard.
 - ii. Any serious lapses/negligence in audit responsibilities or conduct issues on the part of the Auditor or any other matter considered as relevant shall be reported to ICSI within two (2) months of issuance of Secretarial Audit Report, with the approval/recommendation of the Audit Committee of Board.
 - iii. The Secretarial Auditor shall be liable for any professional or other misconduct stipulated under the Company Secretaries Act, 1980 read with the relevant provisions of the Companies Act, 2013.
 - iv. Further, the Secretarial Auditor shall adhere to the ICSI's Guidance Note on Secretarial Audit and the Auditing Standards on Secretarial Audit (CSAS-1, to CSAS-4) and all other relevant guidelines as prescribed by ICSI, from time to time.

2.3.5. Responsibilities of the Management:

It shall be the duty of the Bank to give all assistance and facilities to the Secretarial Auditor for auditing the secretarial and other related records of the Bank. In case of any concern with the Management of the Bank such as non-availability of information/non-cooperation by the Management, which may hamper the audit process, the Secretarial Auditor may approach the Audit Committee of the Board of the Bank.

2.4. Authority for approving Operational Guidelines:

The Policy does not contain any Operational Guidelines. As such, this clause is not applicable.

2.5. Disclosure of the Policy:

The Policy and any amendment thereto will be published on the Bank's website www.pnbindia.in.

2.6. Ownership of the Policy:

The Share Department (Board & Coordination Division) shall be responsible for formulating/reviewing/ periodic updation of the Policy.

2.7. Validity and Review of the Policy:

- i. The Policy shall be effective from 01st April, 2024 to 31st March, 2025 and shall be subject to annual review.
- ii. Further, the Audit Committee of Executives (ACE) shall be authorised to:
 - (a) incorporate any changes necessitated in the Policy for the interim period up to the next review, due to regulatory pronouncements made during the validity period of the Policy; and
 - (b) extend the validity of the Policy for a further period of three months and the Board will be informed of such extension subsequently at the time of annual review.

2.8. Reporting System:

2.8.1. **Secretarial Audit Report:** SEBI vide its 'Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities' (Ref. No.: SEBI/HO/CFD/PoD2/CIR/P/2023/120) dated July 11, 2023 stipulates that the format of the Secretarial Audit Report of listed entities and their material unlisted subsidiaries to be issued by Practicing Company Secretaries shall be in Form No. MR-3 as specified in Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the purpose of compliance with Regulation 24A(1) of SEBI (LODR) Regulations.

2.8.2. Accordingly, the Secretarial Auditor shall examine and report the compliance of the laws/regulations, as mentioned in Form No. MR-3 (Format enclosed as Annexure-IV), *to the extent applicable to the Bank*, after considering the clarifications/replies of the Management, if any.

- 2.8.3. **Secretarial Compliance Report:** SEBI vide its ‘**Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities**’ (Ref. No.: **SEBI/HO/CFD/PoD2/CIR/P/2023/120**) dated **July 11, 2023** read with Regulation 24A(2) of SEBI (LODR) Regulations mandated every listed entity to submit a Secretarial Compliance Report, to Stock Exchanges, within sixty days from end of each financial year. The Report is based on the verification of compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder and is required to be issued by PCS in the format specified in the said Circular.
- 2.8.4. The format of the Secretarial Compliance Report shall be as prescribed in the **aforesaid SEBI Master Circular (Annexure-V)**, or as amended from time to time.
- 2.8.5. In view of the similar nature of both the Secretarial Audit Report and the Annual Secretarial Compliance Report as required under Regulation 24A of the SEBI (LODR) Regulations, the Secretarial Auditor shall also issue the Annual Secretarial Compliance Report to the Bank for the relevant financial year.
- 2.8.6. The Secretarial Audit Report along with the Annual Secretarial Compliance Report shall be furnished to the Bank within 30 days from the end of the financial year for placing before the Audit Committee of the Board.
- 2.8.7. The Reports shall contain the opinion on the statutory compliances examined by the Auditor and shall state whether in his/her opinion the Bank has complied with the applicable provisions of the various laws. The Reports shall be signed by the Partner/Proprietor who conducted or under whose supervision the Secretarial Audit was conducted.
- 2.8.8. The Secretarial Audit Report shall form part of the Annual Report of the Bank for the financial year and the Annual Secretarial Compliance Report shall be submitted to the Stock Exchanges within sixty days from the end of each Financial Year.

2.9. Authority to allow deviations

The Board of Directors of the Bank shall be the Competent Authority to allow any deviation (other than regulatory guidelines) from this Policy.

Appendix

A. Glossary: N.A.

B. List of References

- i. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 last amended as on December 21, 2023.
- ii. SEBI Master Circular for Compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (Ref. No.: SEBI/HO/CFD/PoD2/CIR/P/2023/120) dated July 11, 2023
- iii. Form No. MR-3 as specified in Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended.

Annexure-I

[Refer Para 2.3.2.iii of the Policy]

Process of Empanelment of PCS Firms

For the purpose of empanelment of PCS firms for undertaking secretarial audit and other secretarial assignments, the Bank shall invite applications from PCS firms by hosting a detailed Notice, *inter alia*, containing the eligibility & evaluation criteria, terms of empanelment, etc., on its website and also by publishing an abridged notice in one English and one Hindi Newspaper in accordance with the Bank's Policy/Guidelines.

a) Eligibility Criteria for Empanelment

The criteria for being eligible for empanelment shall be as under:

- i. The Firm must be registered with ICSI. The registration of the Firm should be valid and in-force.
- ii. The Firm should have experience of atleast 10 years. Further, in case, experience of the PCS Firm is less than 10 years, the Lead Partner/Proprietor should have a continuous experience (without any break) of 10 years or more as Whole-Time Practicing Company Secretary.
- iii. The Firm should have the following:
 - 1) *In case of Partnership Firm* - minimum two Partners who are members of ICSI.
 - 2) *in case of Proprietorship Firm* - one full time employee who is a member of ICSI, who has been continually associated with the firm for the past three years as on the date of Notice inviting Applications for Empanelment.
- iv. The Firm should have undertaken successful completion of Secretarial Audit of at least two listed entities (one of which should have a market capitalization of ₹1000 Crore or more) including a Public Sector Undertaking/Public Sector Bank in the last three preceding financial years
- v. The Firm should have an average Annual Turnover of ₹20 Lakhs (Rupees Twenty Lakhs only) or more per annum, in the last three preceding Financial years
- vi. The Firm should preferably be based in Delhi/NCR.
- vii. The Firm or its Proprietor or any of its Partner(s) should not have any substantial conflict of interest with the Bank in terms of Auditing Standards issued by ICSI. In addition to the requirement as per the Auditing Standards, with regard to indebtedness, the Partner(s)/Proprietor or their immediate relatives or the Firm/Company in which the Partner(s)/ Proprietor are Partner(s)/Director, shall not be indebted to the Bank.
- viii. The Firm or its Proprietor or any of its Partner(s) should not have been barred/blacklisted/penalized by any Scheduled Commercial Bank/Public Sector Undertaking/State or Central Government or their Departments/ Statutory Authority/Regulatory Authorities such as IRDA, RBI, SEBI, etc., or Institute of Company Secretaries of India, Ministry of Corporate Affairs (MCA), Registrar of Companies (RoC).

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SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

- ix. The firm should adhere to the ceiling on the number of Audit Engagements, as prescribed by ICSI, from time to time.

b) Evaluation of Applications

The firms fulfilling the eligibility criteria shall be required to submit applications along with requisite supporting documents. The applications shall be subject to Technical Evaluation by an Internal Evaluation Committee comprising officials of the Share Department and headed by the Company Secretary of the Bank. The Committee shall assign marks as per the approved evaluation matrix. The Firms securing the qualifying marks shall be eligible for empanelment with the Bank. Post Technical Evaluation, a Note for the empanelment of the PCS firms shall be placed before the Competent Authority (Reporting CGM or GM, in his absence). The empanelment of the PCS Firms shall be *for three years* from the date of Empanelment. However, the Competent Authority may extend/reduce the period of empanelment as it may deem fit, as per Bank's requirement.

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Annexure-II

[Refer Para 2.3.2.vii of the Policy]

Declaration

I, _____ the Proprietor/Partner of
M/s _____ situated at _____
(complete address) hereby declare that no credit facilities (including guaranteeing any
facility availed of by third party) have been availed of by me/any of the Partners or
my/their immediate relatives or by the Firm/Company in which I am/they are
Partners/Directors, from Punjab National Bank. I further confirm that the Firm, its
Proprietor or any of its Partner(s) do not have any substantial conflict of Interest with
the Bank in terms of Auditing Standards issued by ICSI.

Further, neither me/any of the Partners or my/their immediate relatives nor the
Firm/Company in which I am/they are Partners/Directors has been declared a willful
defaulter/insolvent.

Date:

Signature of the Proprietor/Partner

Place:

Seal of the Proprietary Concern/Partnership Firm

Note: The above declaration must be furnished on the letter head of the PCS Firm.

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SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

Annexure-III

[Refer Para 2.3.2.viii of the Policy]

Certificate

I, _____, the Proprietor/ Partner of M/s _____ situated at _____ (complete address) hereby certify that the Firm/Proprietor/Partner(s) proposed to be appointed as Secretarial Auditor of the Bank for FY _____ comply with all the eligibility norms/guidelines as prescribed by the Regulatory Authorities and the Firm or its Proprietor or any of its Partner(s) have not been barred/blacklisted/penalized by any Scheduled Commercial Bank/Public Sector Undertaking/State or Central Government or their Departments/ Statutory Authority/Regulatory Authorities such as IRDA, RBI, SEBI, etc., or The Institute of Company Secretaries of India, Ministry of Corporate Affairs (MCA), Registrar of Companies (RoC).

Date:

Signature of the Proprietor/Partner

Place:

Seal of the Proprietary Concern/Partnership Firm

Note: The above Certificate must be furnished on the letterhead of the PCS Firm.

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Annexure-IV

[Refer Para 2.8.2 of the Policy]

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED**

To,
The Members,

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by..... (name of the entity). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the (name of the entity) books, papers, minute books, forms and returns filed and other records maintained by the entity and also the information provided by the entity, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the entity has, during the audit period covering the financial year ended on _____, _____ complied with the statutory provisions listed hereunder and also that the entity has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by for the financial year ended on __, _____ according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - f. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - i. The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- vi) (Mention the other laws as may be applicable specifically to the entity)

I/we have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the entity with Stock Exchange(s), if applicable;

During the period under review the entity has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations:

.....

Note: Please report specific non compliances/observations/audit qualification, reservation or adverse remarks in respect of the above para wise.

I/we further report that

The Board of Directors of the entity is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the

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SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I/we further report that there are adequate systems and processes in the entity commensurate with the size and operations of the entity to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Note: Please report specific observations / qualification, reservation or adverse remarks in respect of the Board Structures/system and processes relating to the Audit period.

I/we further report that during the audit period the entity has
(Give details of specific events / actions having a major bearing on the entity's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., referred to above).

For example:

- i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii) Redemption / buy-back of securities
- iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- iv) Merger / amalgamation / reconstruction, etc.
- v) Foreign technical collaborations

Place:

Signature:

Date:

Name of Company Secretary in Practice / Firm: ACS/FCS No.

C P No.:

Notes: Para-wise details of the Audit finding, if necessary, may be placed as annexure to the report.

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PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

Annexure-V

[Refer Para 2.8.4 of the Policy]

Format for the Annual Secretarial Compliance Report

(On the letter head of the Practicing Company Secretary)

**Secretarial Compliance Report of [●] [Name of the listed entity]
for the year ended _____**

I/We..... have examined:

- (a) all the documents and records made available to us and explanation provided by [●] [Name of the listed entity] (“the listed entity”),
- (b) the filings/submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended [●] (“Review Period”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder;
and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

पंजाब नेशनल बैंक
शेयर विभाग, बोर्ड और समन्वय प्रभाग, प्रधान कार्यालय
PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -

- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- g. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h. (other Regulations as applicable)

and circulars/guidelines issued thereunder;

(Note: The aforesaid list of Regulations is only illustrative. The list of all SEBI Regulations, as may be relevant and applicable to the listed entity for the review period, shall be added.

and based on the above examination, I/We hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below: -

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
					Advisory/Clarification Fine/Show Cause Notice/Warning, etc.					

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PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (the years are to be mentioned)	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Details of violation/ deviations and actions taken/ penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity

(Note:

1. Provide the list of all the observations in the report for the previous year along with the actions taken by the listed entity on those observations.
2. Add the list of all observations in the reports pertaining to the periods prior to the previous year in case the entity has not taken sufficient steps to address the concerns raised/ observations.
E.g. In the report for the year ended 31st Mar, 2023, the PCS shall provide a list of:
 - all the observations in the report for the year ended 31st Mar, 2022 along with the actions taken by the listed entity on those observations.
 - the observations in the reports pertaining to the year ended 31st Mar, 2022 and earlier, in case the entity has not taken sufficient steps to address the concerns raised/ observations in those reports.)

(c) I/we hereby report that, during the review period the compliance status of the listed entity with the following requirements:

पंजाब नेशनल बैंक
शेयर विभाग, बोर्ड और समन्वय प्रभाग, प्रधान कार्यालय
PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).		
2.	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> ▪ All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities ▪ All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI. 		
3.	<u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> ▪ The Listed entity is maintaining a functional website ▪ Timely dissemination of the documents/ information under a separate section on the website ▪ Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website 		

पंजाब नेशनल बैंक
शेयर विभाग, बोर्ड और समन्वय प्रभाग, प्रधान कार्यालय
PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

4.	<u>Disqualification of Director:</u> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013		
5.	<u>Details related to Subsidiaries of listed entities:</u> a) Identification of material subsidiary companies b) Requirements with respect to disclosure of material as well as other subsidiaries		
6.	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under the LODR Regulations.		
7.	<u>Performance Evaluation:</u> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.		
8.	<u>Related Party Transactions:</u>		

पंजाब नेशनल बैंक
शेयर विभाग, बोर्ड और समन्वय प्रभाग, प्रधान कार्यालय
PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

	<p>a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions.</p> <p>b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/ rejected by the Audit committee.</p>		
9.	<p><u>Disclosure of events or information:</u></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of the LODR Regulations within the time limits prescribed thereunder.</p>		
10.	<p><u>Prohibition of Insider Trading:</u></p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>		
11.	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>No actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars)</p>		

पंजाब नेशनल बैंक
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PUNJAB NATIONAL BANK
SHARE DEPARTMENT, BOARD & COORDINATION DIVISION, HEAD OFFICE

	under SEBI Regulations and circulars/ guidelines issued thereunder (or) The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.		
12.	<u>Resignation of statutory auditors from the listed entity or its material subsidiaries</u> In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.		
13.	<u>No additional non-compliances observed:</u> No additional non-compliance observed for any of the SEBI regulation/circular/guidance note, etc., except as reported above.		

****Observations/Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'***

Place:

Signature:

Date:

Name of the Practicing Company Secretary:

ACS/FCS

C P No.