



Business Responsibility Report

Section A: General Information about the Bank

1. **Corporate Identity Number (CIN) of the Bank** Not Applicable
2. **Name of the Bank** Punjab National Bank
3. **Registered address** Punjab National Bank,
Plot No 4, Sector-10,
Dwarka, New Delhi -
110075
4. **Website** www.pnbindia.in
5. **E-mail id** eicsmead@pnb.co.in,
md@pnb.co.in
6. **Financial Year reported** 2019-20
7. **Sector(s) that the Bank is engaged in (industrial activity code-wise)**

S.No.	Sectors
i.	Banking Services
ii.	Government Business
iii.	Agriculture Banking
iv.	Retail Banking
v.	Treasury Operations
vi.	Corporate Banking
vii.	Merchant Banking
viii.	International Banking
ix.	Agency Business- Insurance, Mutual Funds, Depository Services, Wealth Management etc.

8. List three key products/services that the Bank manufactures/provides (as in balance sheet)

The Bank's products & services can be broadly categorized under the following three heads:

I. Deposits include Current Deposits, Savings Deposits, Term Deposits, Recurring Deposits, Capital Gain Account Scheme, Gold Monetization Scheme etc.



II. Loans and Advances include:

- a. Retail loans: Housing Loan, Vehicle Loan, Education Loan, Personal loan, loan against property etc.
- b. Agriculture Loans: PNB Kisan Tatkal Rin Yojana, PNB Krishak Sathi Scheme (KSS), SHG Covid Tatkal Sahayata Rin, PNB Krishi Card, Kisan Credit Card, PNB Sona Krishi Rin Yojana, PNB Gram Uday Scheme etc.
- c. MSME Loans: PNB Standby Line of Credit, PNB Sampatti, PNB E-Godam, PNB Weaver Mudra Card, PNB Mahila Udyami, PNB Seva, PNB Udyog, PNB Vyapaar, PNB Satkaar, PNB GST Express, PNB Weaver Mudra Scheme, PNB Laghu Udyami Credit Card, PNB General Credit Card Scheme, PNB Satkaar, PNB Gurukul, PNB Arhatia, etc.
- d. Corporate Loans: Rooftop PV Solar Power Projects, Loans against Future Lease Rentals, Working Capital financing, Term Loans, Project Financing, Bill Financing, etc.

III. Other Products/Services

- a. Cash Management Services
- b. EXIM Finance
- c. Gold Card Scheme for exporters
- d. Doorstep Banking Services
- e. Mutual Funds
- f. Depository Services
- g. Merchant Banking
- h. World Travel Card
- i. NRI Services
- j. Credit/Debit Card Business
- k. Insurance Services
- l. Online Trading
- m. Wealth Management Services
- n. Digital Banking Services
- o. Lockers

9. Total number of locations where business activity is undertaken by the Bank

a. Number of International Locations (Provide details of major 5)

Bank has overseas presence in the following Countries by way of overseas branches/Subsidiary/Associates/JV:-

- i. 2 Overseas Branches (1 at Hong Kong and 1 at Dubai)
- ii. Subsidiary at United Kingdom- PNBIL
- iii. Subsidiary at Bhutan- DRUK PNB Bank Ltd.
- iv. Associate at Kazakhstan- JSC Tengri Bank



v. Joint Venture in Nepal- Everest Bank Ltd.

b. Number of National Locations

PNB has 13 Zonal Offices (ZOs), 76 Circle Offices and 7,041 branches as on 31st March 2020. The Bank has 3 Domestic Subsidiaries and 7 Domestic Associates.

10. Markets served by the Bank– Local/State/National/International

Both National and International markets with a large Branch network.

Section B: Financial Details of the Bank

- I. **Paid up Capital (INR)** Rs 1,348 crore
- II. **Total Business (INR)** Rs 11,75,674 crore
- III. **Total Profit after Tax (INR)** Rs 336 crore

IV. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

During the period from 1st April 2019 to 31st March 2020, a sum of Rs 2,921.41 lacs has been incurred on CSR initiatives with details as under:

S. No.	Name	Amount incurred (Rs. lacs) (01.04.2019 to 31.03.2020)
1	CSR at HO & ZOs	493.20
2	PNB Hockey Academy	58.33
3	Rural Self Employment Training Institutes (RSETIs)	1884.17
4	Farmers' Training Centers (FTCs)	474.00
5	PNB Ladli & PNB Kisan Balak Shiksha Protsahan Yojana	11.71
	Total	2921.41



V. List of activities in which above expenditure has been incurred:-

The Bank contributes to social development by way of various Trusts and Institutes such as PNB Farmers' Training Centres (FTCs), Rural Self Employment Training Institutes (RSETIs) etc.

- a. **Farmers Training Centres (FTCs):** Bank has established 12 Farmers Training Centres. The FTCs are providing free of cost training on agriculture & allied activities and also for Computers, cutting & tailoring/ embroidery and entrepreneurship development programs. Since inception, FTCs have imparted training to 15,62,124 persons by conducting 50,043 training programs. These Training Centres have been equipped with the Mobile Van having Soil testing facilities at the farmers' fields and LED for audio visual display of informative video clips to the farmers.
- b. **Rural Self Employment Training Institutes (RSETIs):** There are 55 RSETIs (under aegis of MoRD) and 2 Rural Development Centres (PNB initiatives) are operating in India which are engaged in providing training to rural population and their families for skill up gradation to undertake self-employment ventures/Jobs. During the FY2019-20, 36,948 persons were trained in these centers out of which 17,751 belong to BPL families and 24,548 were women. Total number of trained candidates since inception is 3,06,562, out of which 1,14,882 were from BPL families and 1,95,347 were women. Our RSETIs are focusing for settlement of participants by ensuring adequate credit for inclusive growth. Total settled candidates are 2,03,123 since inception.
- c. **PNB Ladli:** The Scheme is meant for popularization of education among girls of Rural / Semi Urban areas. Under the scheme, Bank is providing for education inputs of Rs. 2,500/- in lump sum and Rs.100/- per month as pocket allowance to 10 needy girl students of each identified village. Selected girls will continue to get support every year till they complete 12th class. During FY 2019-20, Rs. 10.61 lakh was distributed amongst 700 girls students. So far, we have distributed Rs.172.45 lacs to 9,362 girls under this scheme upto 31.03.2020.
- d. **PNB Hockey Academy:** It is one of the major initiatives towards supporting national game. Through this Academy, the Bank nurtures young and talented players by providing all logistic support and prepares them for the national team.

List of Core CSR activities in which expenditure has been incurred is given below:

- a. Contribution made to PM-CARES Fund.
- b. Contribution made for One Ambulance to MP Building & Other Construction Workers Welfare Board, Government of Madhya Pradesh, India.
- c. Contribution made for Installation of Hydraulic Lift at Rajasthan Netraheen Kalyan Sangh.
- d. Contribution made to "Bharat Ke Veer Corpus Fund" managed under



Ministry of Home Affairs to bring succor to next of kin of the Indian defence personnel killed in Pulwama incident.

- e. Organized Vision Screening Camp at NGO Earth Saviours Foundation and provided corrective eye wear.
- f. Social service like organizing tree plantation, promoting use of renewable sources of energy viz solar power, wind power, hydro power.
- g. Free Health Check - up camps.
- h. Blood donation camps.
- i. Free distribution of artificial limbs.
- j. Supporting under privileged and downtrodden sections of society, Orphanages, etc.
- k. Community service by providing Books, Medicines, etc.
- l. Opening & Maintaining Library & Reading Rooms.

Section C: Other Details

1. Does the Bank have any Subsidiary Company/ Companies?

A. Subsidiaries

i. Domestic Subsidiaries

S. No.	Name of the Entity	Proportion of ownership %
1	PNB Gilts Ltd.	74.07%
2	PNB Investment Services Ltd.	100.00%
3	PNB Insurance Broking Pvt. Ltd.#	81.00%

#PNB Insurance Broking Company is non-functional. The Broking license has been surrendered and steps are being initiated for winding-up of the Company.

ii. International Subsidiaries

S. No.	Name of the Entity	Country of Incorporation	Proportion of Ownership %
1	Punjab National Bank (International) Ltd.	London, United Kingdom	100.00%
2	Druk PNB Bank Ltd.	Bhutan	51.00%

**B. Associates: (Bank having 20% or more stake)****i. Domestic Associates**

S.No.	Name of Regional Rural Banks / Other Associates	Proportion of Ownership (%)
1	Dakshin Bihar Gramin Bank, Patna	35.00%
2	Sarva Haryana Gramin Bank, Rohtak	35.00%
3	Himachal Pradesh Gramin Bank, Mandi	35.00%
4	Punjab Gramin Bank, Kapurthala	35.00%
5	Prathama UP Gramin Bank, Moradabad	35.00%
6	PNB Housing Finance Ltd.	32.65%
7	PNB MetLife India Insurance Co. Ltd.	30.00%

ii. International Associates

S.No.	Name of Entity/ Associates	Country of incorporation	Proportion of Ownership (%)
1	JSC Tengri Bank, Kazakhstan	Kazakhstan	41.64%

iii. Joint Venture: International

S.No.	Name of Entity/Associates	Country of incorporation	Proportion of Ownership (%)
1	Everest Bank Ltd.	Nepal	20.03%

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

No

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No



Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

S. No.	Particulars	Details
1	DIN No.	07206654
2	Name	Dr. R.K. Yaduvanshi
3	Designation	Executive Director

b) Details of the BR Head

S. No.	Particulars	Details
1	DIN Number	Not Applicable
2	Name	Smt. Arti Mattoo
3	Designation	General Manager, Strategic Management and Economic Advisory Division
4	Telephone number	011-28044173
5	e-mail id	artimattoo@pnb.co.in



2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S. No.	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement & CSR	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for....?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify?(50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.pnbindia.in								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The Bank has separate Divisions that are issuing guidelines under the Business Responsibility Policies to be followed by the operating units. The performance is reviewed periodically based on internal/external developments.								



2a. If answer to S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	NOT APPLICABLE								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Bank. Within 3 months, 3-6 months, Annually, More than 1 year.

The Board of Directors meets annually to assess the BR performance of the Bank.

- Does the Bank publish a BR or a Sustainability Report? What is the hyperlink for viewing this? How frequently it is published?

The BR report is published annually and made available on the website of the Bank under the hyperlink <https://www.pnbindia.in>.

Section E: Principle-wise performance

Principle I: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Bank? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?

The policy related to ethics, bribery and corruption covers only the Bank and does not extend to the Group/Joint Ventures/Others. The Bank has a whistle blower policy in place and has also laid down certain guiding principles regarding ethical



code of conduct and measures to tackle bribery and corruption in the organization. This code sets forth the principles on which the Bank shall operate and conduct its business with its stakeholders, Government agencies, the regulators, media and other concerned parties.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Total number of customer complaints received in FY 2019-20 was 44,399 and 966 complaints were outstanding as on 01.04.2019 totaling 45,365. Out of which 44,418 have been resolved during the period, with percentage of resolution at 97.9%.

Total number of shareholder complaints received during FY 2019-20 was 3, all of which were resolved.

Principle II: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

A. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Bank believes in sustainable development and ensures that its business model incorporates environment protection. Towards this concern, Bank has put in place guidelines that before the disbursement of any Term Loan, it should be ensured that, wherever required, all necessary statutory and other approvals/permissions including those from Pollution Control Boards have been obtained by the borrower.

Some of our products and services incorporating social and environmental concerns are given below:

☐ **PNB LADLI YOJANA**, for promoting girl education: Scheme is meant for popularization of education amongst girls of Rural / Semi Urban areas. Under the scheme, Bank is providing for education, inputs of Rs. 2,500/- in lump sum and Rs.100/- per month as pocket allowance to 10 needy girl students of each identified village. Selected girls will continue to get support every year till they complete 12th class. During F.Y. 2019-20, Rs. 10.61 lakh was distributed among 700 girls students. So far, we have distributed Rs.172.45 lacs to 9,362 girls under this scheme upto 31.03.2020.

☐ **PNB KISAN BALAK SHIKSHA PROTSAHAN YOJANA**: The Scheme has been launched to provide financial assistance to the students of poor agriculture borrowers (comprising of small farmers, marginal farmers, tenant farmers, oral



lessees and agriculture labour) are eligible, provided their loan account is running regular. Since inception, Rs.47.98 lakh has been given as incentive to 1,553 students up to March 2020 under the scheme.

- ❑ **PNB VIKAS- Village Adoption Scheme:** The objective of the Scheme is to develop the adopted villages in a holistic manner, which includes Human, Economic & other Infrastructure Development like sanitation, drinking water supply, education, electricity, health, etc in co-ordination with the other stake holders i.e. Villagers, Govt. authorities, Local bodies etc. Under this Scheme, Bank has adopted 169 villages (78 in lead districts and 91 in non-lead districts) in different Circles.
- ❑ **Bank's Farmers' Training Centres (FTCs)** have been converted into “**Centres of Excellence**” as pivots of exemplary agriculture and rural development. These are providing training regarding (i) crop diversification; (ii) cultivation of medicinal & aromatic crops; (iii) use of organic manure; (iv) post - harvest technologies; (v) repair & maintenance of tractors; (vi) judicious use of irrigation water; (vii) conservation of solar energy & rain water; (viii) animal health etc.
- ❑ **Infrastructure creation:** FTCs have adopted one village each for undertaking developmental activities, wherein developmental works like construction of public conveniences, class-rooms for schools, village library, dispensary, playgrounds and providing fans, water coolers etc. to schools are being undertaken. These FTCs are also providing vocational training to rural women & youth and organizing health check up camps for the people.
- ❑ **Financing for renewable energy sources:** Bank encourages the use of renewable energy by financing potentially viable renewable energy projects like solar/ wind/ biomass based power generation etc., and promoting use of renewable energy sources at household levels.

B. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- i. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**
- ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Not Applicable.

C. Does the Bank have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced



sustainably? Also, provide details thereof, in about 50 words or so.

Not Applicable.

D. Has the Bank taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

The Bank is a financial service provider organization and is not involved in procurement of goods. Tangible items are not processed by the Bank. However, the Bank encourages its borrowers to obtain their raw material inputs from Micro, Small & Medium Enterprises (MSMEs). It also provides loans at subsidized rates to Self Help Groups (SHGs) and Women entrepreneurs.

The Bank offers certain products and services to specifically cater to the needs of MSME segment:

- 1. Launch of Mudra Product on psbloansin59minutes.com portal:** Bank has developed Mudra Loan Product on psbloansin59minutes.com portal to provide benefit of digitalization to lower credit requirement customers.
- 2. Pool Buyout under Partial Credit Guarantee Scheme of the GoI:** Under the scheme, Bank has sanctioned pool of 3 NBFCs amounting to Rs 2,350 crores under MSME out of which Rs 1,340 crores has been disbursed. We are also exploring possibility of more portfolio purchase under the scheme.
- 3. Concession in RoI and processing Fees for ZED Rated units:** For supporting the ongoing effort of 'Make in India' campaign and pursuant to the Prime Minister's call for 'Zero Defect Zero Effect', Bank is providing concession in Rate of interest as well as Processing Fees to the ZED Rated unit to enhance global competitiveness of MSMEs by providing them financial support.
- 4. Stand By Line Of Credit to Fund Temporary Liquidity Mismatch:** To provide ease to MSMEs, Bank is providing additional Working Capital Limits for Standard Accounts upto 25% of the existing working capital exposure to existing units to meet-out their temporary liquidity problem.
- 5. Rate of Interest linked to External Benchmark based lending rate:** Bank has linked new floating MSE loans to Repo Rate to provide credit assistance at more affordable rate of interest. This rate has been extended to Medium Enterprises also w.e.f. 01.04.2020.



6. **Enhanced working Capital for MSEs:** In order to provide benefit to the MSEs, who are exempted for GST registration under GST Registration Act, Bank provides enhanced working capital to MSEs i.e. the working capital limit (availing Fund based Working capital requirement upto Rs. 5 crore) fixed to the extent of 30% of Annual turnover / Sales against existing 25%, keeping the prescribed margin (37.5% of annual turnover, shall be working capital requirement and 7.5% shall be the margin to be brought in by MSEs).
7. **Co-origination of Loan with NBFCs:** RBI has introduced the concept of Co-origination Model for providing much needed competitive credit to priority sector in collaboration with NBFCs (Non-deposit taking –systemically important). Our Bank has signed MoU with NFBC for co-lending under this arrangement for exploring new business avenues and started sanction of loans under this arrangement.
8. **Collateral-free loans:** To ease the credit assistance to MSE, Bank is providing collateral free loan upto Rs. 10 lacs. Further, Bank is also extending collateral free loans upto Rs. 200 lacs to MSEs on merit of the cases. To reduce the burden of collateral, CGTMSE has also introduced concept of hybrid product wherein certain amount of loan shall be covered under guarantee scheme and rest of the portion shall be secured by Collateral security.

E. Does the Bank have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Bank is a financial service provider organization. Hence, recycling of waste products doesn't apply to the Bank. However, the Bank has in place, an e-waste policy which involves purchasing of various items such as Paper, stationery products, toilet paper, discarded sacks, glass, cans and plastics made from recycled material to the maximum possible extent. Waste disposal is also undertaken in a proper and methodical way.

Principle III: Businesses should promote the well being of all employees.

1. Please indicate the Total number of employees.

The total number of employees (including those on deputation in subsidiaries) as on 31st March 2020 was 68,781.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.



01 (Contractual basis).

3. Please indicate the Number of permanent women employees.

The number of permanent women employees as on 31st March 2020 was 15,179.

4. Please indicate the Number of permanent employees with disabilities?

The number of permanent employees with disabilities as on 31st March 2020 was 1,744.

5. Do you have an employee association that is recognized by management?

Yes.

6. What percentages of your permanent employees are members of this recognized employee association?

S.No	Name of the Recognized Officers' Association	%age of membership in recognized Association
1	AIPNBOA	85.70
2	AIPNBOF	11.15
3	AIPNBWF	0.04
4	AIPNBWO	0.09
Total		96.98

S.No	Name of recognized Workmen Union	%age of membership in recognized union
1	AIPNBEF	68.77
2	PNBSA (UP)	11.69
3	AIPNBWO	0.00
4	PNBEFI	4.95
5	PNBKS	1.44
6	AIPNBWF	1.44
7	AIPNBSF	4.09
8	AIPNBWO	4.19
9	PNBPEU (WB)	0.03
Total		96.60

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and



pending, as on the end of the financial year.

S. No.	Category	No of Complaints filed during FY'20	No of Complaints pending as at end of FY'20
1	Child labour/forced labour /involuntary labour	NIL	NIL
2	Sexual harassment	15	6
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Through Contact Classes (Classroom training):

- A. Permanent Employees: 44.58%
- B. Permanent Women Employees: 36.12%
- C. Casual/Temporary/Contractual Employees: NIL
- D. Employees with Disabilities: 46.96%

Through e-Learning:

- A. Permanent Employees: 64.77%
- B. Permanent Women Employees: 74.12%
- C. Casual/Temporary/Contractual Employees: NIL
- D. Employees with Disabilities: 78.87%

Principle IV: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Bank mapped its internal and external stakeholders?

Yes, the Bank has identified its key stakeholders, both internal and external. The stakeholders of the Bank are its shareholders, investors, customers, employees, Government and regulatory agencies. They are further segregated into various subsets for an enhanced focus.

2. Out of the above, has the Bank identified the disadvantaged, vulnerable & marginalized stakeholders?

The Government and the RBI have prescribed certain guidelines and targets regarding Financial Inclusion, Priority Sector Lending and lending to the marginalized sections of the society. Accordingly, the Bank has identified the



disadvantaged, vulnerable and marginalized stakeholders. It also offers various products and services to cater to their specific needs.

- 3. Are there any special initiatives taken by the Bank to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

The Bank believes in helping the marginalized, unbanked and financially excluded sections of the society to enable them to contribute productively to the economy. Access to financial services is of utmost importance to strengthen marginalized sections and make a significant contribution to their social and economic development. The Bank has been an active participant in various Government schemes and has come out with products and services specifically designed for disadvantaged and marginalized stakeholders. Loans are given at subsidized rates to small/marginal farmers, micro/small enterprises, Self Help Groups, weaker sections, minority communities and women beneficiaries. The Bank is also running various Trusts/centers such as PNB Farmers' Training Centers (FTCs), Rural Self Employment Training Institutes (RSETIs), Financial Literacy Centres (FLCs) in order to empower the marginalized sections. Welfare schemes such as PNB VIKAS- Village Adoption Scheme, PNB Ladli, PNB KISAN BALAK SHIKSHA PROTSAHAN YOJANA have been undertaken to achieve the desired outcomes.

Principle V: Businesses should respect and promote human rights

- 1. Does the policy of the Bank on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Interest of employees is taken care of by Bank in terms of provisions of Bipartite Settlement/regulations applicable for its own employees.

The Bank gives basic human rights to all and believes that all humans are equal. It makes sure that no discrimination takes place in the organization on the basis of colour, caste, race, religion, disability, gender, social status etc.

- 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

Total number of customer complaints received in FY 2019-20 was 44,399 and 966 complaints were outstanding as on 01.04.2019 totaling 45,365. Out of which 44,418 have been resolved during the period, with percentage of resolution at 97.9%.

Total number of shareholder complaints received during FY 2019-20 was 3, all of which were resolved.



Principle VI: Business should respect, protect and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Bank or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Bank implements various Energy conservation guidelines/ policies issues by Gol.

2. **Does the Bank have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

The Bank believes that a sustainable growth incorporates environment protection. In this direction, the Bank has always laid emphasis on initiatives that contribute to betterment of environment such as:

- (a) Emphasis on utilizing energy efficient electrical fixtures, LED Lights, etc. in offices & residential premises.
- (b) The Bank has moved towards adoption of Solar PV cell based sources of power and Solar Water Heating System in its new buildings and installing Solar PV based Rooftop Solar Power Projects and Solar Water Heating System in its existing buildings, wherever feasible, which helps us to save energy.
- (c) The Bank has taken up various initiatives for reducing carbon emissions and energy consumption in view of the growing concern for climate change. It has adopted energy efficient equipments for office buildings and residential premises. Periodic electrical/ energy audit of all the offices & ATMs have resulted in their efficient functioning.
- (d) The Bank has State of the Art Head Office Building at Dwarka. The building is equipped with various sensors and is a certified Green Building having 5 Star Green Rating for Integrated Habitat Assessment (GRIHA) Rating for best efficiency of resources such as Rain Water Harvesting, Segmentation, Targeting and Positioning (STP) model, Energy efficient electrical equipments and Modern amenities. It has installed Gas based Gen-sets and 200KWp Solar PV Roof Top Power Plant to reduce its carbon footprint.
- (e) The Bank is adopting “**Green Building**” initiatives, to help reduce wastage of resources and energy, such as utilizing laminated glass to reduce the infrared & UV light inside building, conserving electricity by usage of energy efficient electrical equipments, LED lights, sensors, etc.



3. Does the Bank identify and assess potential environmental risks? Y/N

The Bank implements various guidelines/ policies issued by different agencies of Government of India, during planning and execution of projects, for conservation of environment and sustainable development.

4. Does the Bank have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

The Bank does not have any project related to Clean Development Mechanism. We implement various Energy conservation guidelines/ policies issued by GoI/ IBA/ EESL, etc.

5. Has the Bank undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.

Yes, the Bank is actively involved in utilizing and promoting Rooftop Photovoltaic Solar Power Units at its Office buildings & residential premises. Further, it has laid emphasis on utilizing latest technical advances in terms of **Green Building initiative & Sustainable Environment initiatives**.

Link for the same is <https://www.pnbindia.in>.

6. Are the Emissions/Waste generated by the Bank within the permissible limits given by CPCB/SPCB for the financial year being reported?

Being a service sector organization, the Bank does not generate any toxic/hazardous pollutants.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as at end of Financial Year.

Nil

Principle VII: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Bank a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:



The Bank is member of following major chambers/associations:

- a) Indian Banks Association (IBA)
 - b) Indian Institute of Banking and Finance (IIBF)
 - c) National Institute of Bank Management (NIBM) Pune
 - d) Associated Chambers of Commerce and Industry of India (ASSOCHAM)
 - e) Federation of Indian Chambers of Commerce and Industry (FICCI)
 - f) Administrative Staff College of India, Hyderabad (ASCI)
 - g) Confederation of Indian Industry (CII)
 - h) Institute of Company Secretaries of India (ICSI)
 - i) Standing Committee of Public Enterprises (SCOPE)
- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).**

The Bank puts forth suggestions related to banking and economy through various Associations. Bank and its Top Management also form a part of various working groups set up by the regulator and policy makers. Thus, the Bank's inputs and suggestions regarding various economic and financial issues are considered while formulating the policies.

Principle VIII: Businesses should support inclusive growth and equitable development

- 1. Does the Bank have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Bank actively supports the Government's agenda of financial inclusion by offering various products and services to the unbanked and marginalized sections of the society. The Bank is a keen participant in all Government schemes from time to time, namely Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Mudra Yojana (PMMY), Stand Up India, Start Up India, Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM), Differential Rate Of Interest (DRI), Deendayal Antyodaya Yojana-National Urban Livelihoods Mission (DAY-NULM), Pradhan Mantri Awas Yojana (PMAY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Fasal Bima Yojana (PMFBY), Atal Pension Yojana (APY), Sukanya Samriddhi Yojana (SSY), Basic Saving Bank Deposit Account (BSBDA) etc.

On the *psbloansin59minutes.com* platform, during FY2019-20 the number of



applications received were 14,040, which is almost thrice the applications received in the previous financial year. Out of which, 8,516 were sanctioned equivalent to 63%. Hence, business under *psbloansin59minutes.com* has shown substantial growth. The Bank has designed customized products for Mudra borrowers under the portal and expects substantial increase under the scheme.

The Bank felt that the biggest challenge to fostering “Inclusive growth” is the lack of financial awareness. To address this, the Bank has 106 Financial Literacy Centres (FLCs) in different districts of the country. These centres provide face to face counseling regarding Deposits, No Frill accounts, Credit, Debt restructuring, Technology, Industry, Education and Finance for livelihood to all. On-location extension services through mobile vans are provided to farmers and rural youth in collaboration with FLCs and Rural Self Employment Training Institutes (RSETIs).

Lending Under Priority Sector by the Bank:

a) Micro Credit: SHGs credit linkage has been envisioned as driver of financial inclusion and women empowerment. Credit linked SHGs are 1,57,354 with an outstanding of Rs. 1,315.20 Crore out of which 63,727 SHGs are of women with an outstanding of Rs. 728.19 Crore. During FY 2019-20, 29,421 SHGs were credit linked as against 27,572 SHGs credit linked in the last corresponding year.

b) Credit to Weaker Section & SC/ST: As on 31.03.2020, Bank’s share to Weaker Section is Rs. 50,851 crore. National Goal achievement is 11.34 % of ANBC thus exceeding the National Goal of 10%. Out of Total weaker section advances, total outstanding advances to SC/STs are Rs. 4,523.88 Crore in 3,48,675 accounts as at 31.03.2020.

c) Credit to Women beneficiaries: Total Credit to women beneficiaries is Rs. 30,580 Crore as on 31.03.2020 as against Rs. 29,813 Crore as on 31.03.2019 showing a YOY growth of 2.57 %. Credit to women beneficiaries is 6.81% of ANBC as on 31.03.2020 against National Goal of 5%. At Head Office, **a weaker section cell** monitors the progress under various lending schemes for women beneficiaries.

d) Credit to Minority Communities: Bank’s credit to minority communities stood at Rs. 24,747 Crore as on 31.03.2020.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

There are dedicated divisions, namely, Priority Sector and Financial Inclusion Division, MSME Division, Corporate Social Responsibility Cell that undertake various programs/projects under the financial inclusion drive and Corporate Social Responsibility. The progress at grass-root level is also monitored through our Zonal Offices and Circle Offices.



The Bank has a dedicated internal team, in partnership/association with NGOs and Government institutes, for making the programs a success. PNB PRERNA, an association of the wives of the senior officials of the Bank alongwith senior lady officials of the Bank, is voluntarily involved in carrying forward the CSR agenda of the Bank.

3. Have you done any impact assessment of your initiative?

The Bank undertakes periodic reviews of various projects and regularly assesses their outcomes and performance. As a result of continuous monitoring and evaluation, the Bank has been able to take corrective steps and has shown good progress under various Government sponsored and social security schemes surpassing the budgeted levels.

4. What is your Bank's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The Bank's contribution to community development program has been made through its various projects such as:

1. **PNB VIKAS-Village Adoption Scheme:** The objective of the Scheme is to develop the adopted villages in a holistic manner, which includes Human, Economic & other Infrastructure Development like sanitation, drinking water supply, education, electricity, health, etc in co-ordination with the other stake holders (villagers, the Govt. authorities, local bodies etc). Under this Scheme, Bank has adopted 169 villages (78 in lead districts and 91 in non-lead districts).
2. **Training to Farmers:** Regular On-location Programmes and Kisan Goshties are held at the doorsteps of farmers by the Farmers' Training Centres (FTCs) officials who conduct frequent visits to the villages.
3. **Infrastructure Creation:** Farmers' Training Centres (FTCs) have adopted one village each for undertaking developmental activities, wherein developmental works like construction of public conveniences, class-rooms for schools, village library, dispensary, playgrounds, providing fans, water coolers etc., to schools are being undertaken.
4. **Construction of Toilets:** Scheme to provide financial assistance for construction of toilets in government schools of adopted villages of PNB VIKAS has been approved. It focuses on co-educational and Girls' Govt. Schools wherein Bank provides separate toilet facilities for girl students and a library with regular newspaper & educative magazines. Since inception, Rs 92.42 lacs have been paid under the above scheme/activities upto 31.03.2020.



5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Community development initiatives of the Bank such as PNB VIKAS- Village Adoption Scheme, Kisan Clubs, Kisan Goshthies etc. are taken in coordination with all the stakeholders such as local Government, NGOs, Panchayati Raj Institutions, etc. The Bank engages with the local agencies to offer programs and facilities as per their needs and requirements. Collaboration is done with the panchayats/ Self Help Groups for better acceptability and dovetailing products with the requirements of local populace. These alliances with local organizations help in ensuring that such programs succeed and facilitate a long term positive change in the society.

Principle IX: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

2.09% of customer complaints are pending as at the end of financial year 2019-20.

2. Does the Bank display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

The details of various financial products offered by the Bank are advertised on the Bank's website; awareness is also spread via pamphlets and brochures. Bank also advertises its products via print and electronic media. It maintains an active presence on various social media platforms such as Facebook, Twitter and LinkedIn, Youtube which effectively advertise various features of the products and services offered by the Bank.

3. Is there any case filed by any stakeholder against the Bank regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as at the end of financial year. If so, provide details thereof, in about 50 words or so.

No case filed by any stakeholder.

4. Did your Bank carry out any consumer survey/consumer satisfaction trends?

The Bank gives utmost priority to the satisfaction of its customers and as an ongoing process, tries to measure the satisfaction level of its customers transacting



banking business through various touch points and various modes. The Bank has put in place an online Centralised Grievance Redressal Management System (CGRMS) to enable the customers to lodge their grievances, if any, and track the status of their complaints online. Besides, customers can register their grievances through Tele Banking Service with the Contact Centers of the Bank, which are functioning on 24 x 7 basis.

The Bank also invites nominated customers representing different segments in the Standing Committee on Customer Service, a high-level committee headed by Executive Director at Head Office, to have their feedback on the quality of service being rendered by the Branches. Meetings with customers on Customer Service Committee are being conducted in all the Branches and Circle Offices to critically examine the feedback/suggestions received for making improvement in the quality of service rendered.

The Bank is also obtaining feedback from its customers about quality of service, ambience of its branches, etc. by conducting surveys and making outbound calls through our Contact Centers.