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Share Department, Board & Coordination Division, HO Plot No.4 Sector 10, Dwarka, New Delhi-110075  
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<b>Scrip Code : PNB</b>	<b>Scrip Code : 532461</b>
National Stock Exchange of India Limited "Exchange Plaza" Bandra – Kurla Complex, Bandra (E) Mumbai – 400 051	BSE Limited 1 <sup>st</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

Date: 25.05.2022

Dear Sir (s),

**Reg.: Secretarial Compliance Report as per regulation 24A of SEBI (LODR) Regulations, 2015.**

Please find enclosed the Secretarial Compliance Report of the Bank for the year ended 31.03.2022 in compliance of Regulation 24A of SEBI (LODR) Regulations, 2015.

Thanking you,

Yours faithfully,

  
**(Ekta Pasricha)**  
**Company Secretary**  
Encl.: A/a





**SECRETARIAL COMPLIANCE REPORT**  
**OF**  
**PUNJAB NATIONAL BANK**  
(for the year ended 31<sup>st</sup> March, 2022)

We, Agarwal S. & Associates, Company Secretaries, have examined:

- (a) all the documents and records made available to us and explanation provided by **Punjab National Bank** ("the listed entity" or "Bank"),
- (b) the filings/submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity ([www.pnbindia.in](http://www.pnbindia.in)),
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31<sup>st</sup> March, 2022 ("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 (Regulations) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (*Not applicable to the Bank during the Review Period*);
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (*Not applicable to the Bank during the Review Period*);
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 16<sup>th</sup> August, 2021)

- (h) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013 *(Not applicable to the Bank during the Review Period)*;
- (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars/ guidelines issued thereunder;
- (k) The Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994;
- (l) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993;

and based on the above examination, 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)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	<p>The composition of the Board of Directors of the Bank is governed by the provisions of Section 9(3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 in terms of which all Directors are appointed/ nominated by the Central Govt. except Director(s) elected by shareholders, other than Central Govt., from amongst themselves.</p> <p>The Committees of the Board are required to be constituted pursuant to the extant Guidelines of RBI/Govt. of India/SEBI to the extent applicable to the Bank.</p> <p><b>SEBI (LODR) Regulations, 2015</b> In terms of Regulation 17(1)(b) of SEBI (LODR) Regulations, 2015, where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of Independent Directors.</p>	<p>The positions of one Director to be nominated by the Central Government each under Section 9(3) (e), (f), (g) and two Directors under section 9(3)(h) of The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 were vacant on the Board of the Bank during the F.Y. 2021-2022.</p> <p>The Board of the Bank has only four Independent Directors.</p> <p>Due to the existing vacancies on the Board, the Bank was unable to comply with Reg. 17(1)(b) of SEBI (LODR) Regulations, 2015 regarding Board composition w.r.t. Independent Directors and Reg. 18(1)(b) of SEBI (LODR) Regulations, 2015 regarding composition of ACB.</p>	<p>The Composition of the Board of the Bank should be in compliance with the provision of Section 9 (3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.</p> <p>The Bank has taken up the matter with the Department of Financial Services, Ministry of Finance, Government of India with a request to either appoint the Directors under Section 9(3) (e), (f), (g) and (h) of The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or take up the matter with SEBI for exemption under the said Regulations.</p>

<p>In terms of Regulation 18(1) (b) of SEBI (LODR) Regulations, 2015, at least two-thirds of the members of Audit Committee shall be Independent Directors.</p>		
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- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- (c) The following are the details of actions taken against the listed entity/its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder: **Not Applicable**
- (d) The Listed entity has taken the following action to comply with the observations made in previous report:

Sr. No.	Observation of Company Secretary in the previous report	Observation made in the previous secretarial Compliance Report for the year ended 31.03.2021	Action taken by the listed entity, if Any.	Comments of Practicing Company Secretary on the Action taken by the listed entity.
1	<p>Regulations 15 (2) of SEBI (Listing obligation and Disclosure Requirement) 2015, the requirement w.r.t. composition and certain other corporate governance provision as stated in SEBI (LODR) 2015 do not apply on the Bank. The Board of Directors of Bank comprises of directors in accordance with the Sec 9(3) of Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.</p>	<p>The positions of the Directors to be nominated by the Central Government under Section 9(3) (e), (f) &amp; (g) of The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 were vacant on the Board of the Bank.</p>	<p>As communicated to us, the position of vacancies on the Board of the Bank is reported to DFS, Ministry of Finance, Govt. of India, on monthly basis. Further, the Bank has taken up the matter with the Department of Financial Services, Ministry of Finance, Government of India with a request to either appoint the Directors under Section 9(3) (e), (f), (g) and (h) of The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or take up the matter with SEBI for exemption under</p>	<p>The Composition of Board of the Bank should be in compliance with the provision of Section 9(3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.</p>



			the Regulations.	said	
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- (e) SEBI circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 regarding resignation of Statutory Auditors from listed entity and their subsidiaries. The appointment including the terms of appointment of Statutory Auditors of the Bank is as per RBI Guidelines.

For **Agarwal S. & Associates,**  
*Company Secretaries,*  
 ICSI Unique Code: P2003DE049100  
 Peer Review Cert. No.: 626/2019

**GARIMA**  
**GROVER**

**CS Garima Grover**  
**ACS No.: 27100**  
**C P No.: 23626**

**Place: New Delhi**  
**Date: 10.05.2022**  
**UDIN: A027100D000298437**

**NOTE:** This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this Report.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Bank. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for expression of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank and our report is not covering observations/comments/ weaknesses already pointed out by the other Auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations, happening of events, etc. and relied upon.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Bank has proper Board-processes and Compliance-mechanism in place or not.
6. The Secretarial Compliance Report is to be read along with Secretarial Audit Report of the corresponding period.
7. The Secretarial Compliance Report is neither an assurance as to future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.

For **Agarwal S. & Associates,**  
*Company Secretaries,*  
ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 626/2019

**GARIMA** Digital signed by GARIMA  
GROVER  
**GROVER** DN: cn=GARIMA GROVER, o=ICSI,  
ou=Company Secretaries,  
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c=IN  
Date: 2022.05.10 14:50:10+05:30

**CS Garima Grover**  
**ACS No.: 27100**  
**C P No.: 23626**

**Place: New Delhi**  
**Date: 10.05.2022**