



# Business Responsibility Report

## Section A: General Information about the Company

- 1. Corporate Identity Number (CIN) of the Company** Not Applicable
- 2. Name of the Company** Punjab National Bank
- 3. Registered address** Punjab National Bank,  
Corporate Office, Plot No 4,  
Sector-10, Dwarka, New  
Delhi -110075
- 4. Website** [www.pnbindia.in](http://www.pnbindia.in)
- 5. E-mail id** [eicsmead@pnb.co.in](mailto:eicsmead@pnb.co.in),  
[md@pnb.co.in](mailto:md@pnb.co.in)
- 6. Financial Year reported** 2018-19

### 7. Sector(s) that the Company is engaged in (industrial activity code-wise)

S.No.	Sectors
1	Banking Services
2	Government Business
3	Agriculture Banking
4	Retail Banking
5	Treasury Operations
6	Corporate Banking
7	Merchant Banking
8	Agency Business- Insurance, Mutual Funds, Depository Services, Wealth Management etc.

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

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



**1. Deposits** include Current Deposits, Savings Deposits, Term Deposits, Recurring Deposits, etc.

**2. Loans and Advances include:**

- a. Retail loans: Housing Loan, Vehicle Loan, Education Loan, Personal loan, etc.
- b. Agriculture Loans: PNB Utkarsh, PNB Krishi Card, Kisan Credit card, PNB Sona Krishi Rin Yojana, PNB Kalyani Card Scheme, PNB Krishak Sathi Scheme, PNB Gram Uday Scheme etc.
- c. MSME Loans: PNB Seva, PNB Nirmata, PNB Kushal Vyapari, PNB Weaver Mudra Scheme, PNB VANITA, PNB GREEN RIDE, Super Trade, SME Sahayog Scheme, PNB Sanjeevani, PNB Artisan Credit Card, PNB Laghu Udyami Credit Card, PNB General Credit Card Scheme, PNB Dealer Suvridha etc.
- d. Corporate Loans: Rooftop PV Solar Power Projects, Loans against Future Lease Rentals, Working Capital financing, Project Finance & Infrastructure Finance, Term Loans, Export Finance, Bill financing etc.

**3. 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. Wealth Management Services
- k. Online Trading
- l. Credit/Debit Card Business
- m. Insurance Services

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

**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:-



- ✓ 2 Overseas Branches at (1 at Hong Kong and 1 at Dubai)
- ✓ Subsidiary at United Kingdom- PNBIL
- ✓ Subsidiary at Bhutan- DRUK PNB Bank Ltd.
- ✓ Associate at Kazakhstan- JSC Tengri Bank
- ✓ Joint Venture at Nepal- Everest Bank Ltd.

**b. Number of National Locations**

PNB has 13 Zonal Offices (ZOs), 76 Circle Offices and 6989 branches as on March 31<sup>st</sup> 2019. The Bank has 3 domestic subsidiaries and 7 domestic associates.

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

Both National and International markets with a large branch network.

**Section B: Financial Details of the Company**

- 1 **Paid up Capital (INR)** Rs 920.81 crore
- 2 **Total Business (INR)** Rs 11,34,279 crore
- 3 **Total Profit after Taxes (INR)** Rs 9975 crore (Loss)
- 4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**

During the period from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019, a sum of Rs 2954.15 lacs has been incurred on CSR initiatives with details as under:

<b>Name</b>	<b>Amount incurred (Rs lacs) (01.04.2018 to 31.03.2019)</b>
CSR at HO & ZOs	459.98
PNB Hockey Academy	96.85
Rural Self Employment Training Institutes (RSETIs)	1851.41



Farmers' Training Centers (FTCs)/ Financial Literacy Centers (FLCs)	520.01
PNB Ladli	24.01
PNB Kisan Balak Shiksha Protsahan Yojana	1.89
<b>Total</b>	<b>2954.15</b>

**5. List of activities in which expenditure in 4 above has been incurred:-**

CSR activities are as under:

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):** The Bank continued to empower the rural and poor populace through its well structured Farmers' Training Centres (FTCs). These centers are focusing on training and economic upliftment of participants. Bank has established 12 Farmers' Training Centres which 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 14,19,292 persons by conducting 46185 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):** In order to provide training to rural population and their families for skill up gradation and self-employment, 55 RSETIs and 2 Rural Development Centres are operating in India. Total number of trained candidates since inception is 2,69,659 out of which 170856 are women and 97172 were from BPL category.
- 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. 2500/- 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 2018-19, Rs. 24.01 lacs was distributed among 2105 girls students. So far, we have distributed Rs.161.84 lacs to 8662 girls under this scheme upto 31.03.2019.
- d. PNB Hockey Academy 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. Donation to flood affected victims, by contribution to CM Relief Fund Kerala.
- b. Distribution of wheel chairs and stretcher to the Hospital for the needy patients.
- c. Contribution to Kumbh Mela Allahabad.
- d. Donation to charitable trusts.
- e. Social service like organizing tree plantation, promoting use of renewable sources of energy like solar power, wood power, tidal power.
- f. Free Health Check up camps.
- g. Blood donation camps.
- h. Free distribution of artificial limbs.
- i. Supporting under privileged and downtrodden sections of society, orphanages etc.
- j. Community service by providing water cooler, health & sanitation.
- k. Opening & Maintaining Library & Reading Rooms.

### Section C: Other Details

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

##### A. Subsidiaries

##### a. 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 Pvt. Ltd is under winding up, broking license of the company has already been surrendered and liquidation of the company is under process.

##### b. International Subsidiaries

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

**B. Associates: (Bank having 20% or more stake)****a. 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 Gramin Bank, Mandi	35.00
4	Punjab Gramin Bank, Kapurthala	35.00
5	Sarva UP Gramin Bank, Meerut	35.00
6	PNB Housing Finance Ltd.	32.79
7	PNB MetLife India Insurance Co. Ltd.	30.00

NOTE:- Bank has offloaded its entire equity stake in PNB Asset Management Company Pvt. Ltd (21.38%) and Principal Trustee Company Pvt. Ltd.(30.00%) in favour of Principal Group on 24.08.2018. The deal got closed on 28.08.2018. As bank's holding in PNB AMC & TC companies is NIL, they cease to be Bank's Subsidiary/ JV /Associate.

**b. International Associates**

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

**c. 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.	08110715
2	Name	L V Prabhakar
3	Designation	Executive Director

**b) Details of the BR Head**

S. No.	Particulars	Details
1	DIN Number	Not Applicable
2	Name	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	<b>NOT APPLICABLE</b>								
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 Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

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

- **Does the Company 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 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

- 1. Does the policy relating to ethics, bribery and corruption cover only the company? 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 company 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.

The Bank expects all its Directors and employees to exercise sound and fair judgment in order to safeguard the interests and welfare of its customers, employees and other stakeholders by maintaining a cooperative, efficient, harmonious, motivated and productive work environment in the organization. The Bank has placed continuous emphasis on Vigilance matters to ensure that cases are identified quickly and disciplinary proceedings are completed in time in accordance with the guidelines of Central Vigilance Commission (CVC).

- 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 2018-19 is 62,539 and 1862 complaints was outstanding as on 01.04.2018 totaling 64,401. Out of which 63,435 have been resolved during the period, with percentage of resolution at 98.50%.

Total number of shareholder complaints received during FY 2018-19 is 17, all of which were resolved.



**Principle 2: 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: The scheme is meant for popularizing education among girls of Rural / Semi urban areas. Under the scheme, Bank is providing for education inputs of Rs. 2500/- 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 FY2018-19, Rs 24.01 lacs was distributed among 2105 girls students. So far, the Bank has distributed Rs 161.84 lacs to 8662 girls under this scheme upto 31.03.2019.
- **PNB VIKAS- Village Adoption Scheme**: The objective of the Scheme is to develop 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) 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, 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.
- **PNB UJALA:** The Scheme was launched to provide 4 Solar Street Lights up to cost of Rs. 80,000/- in the adopted villages and a Solar Lantern to each girl student costing Rs. 500/- already adopted under PNB LADLI Scheme. Under the scheme, 524 Solar Lights have been installed in 144 villages and 1612 Solar Lanterns were given to girl students up to 31.03.2019.

**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 company 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 company 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. **PNB Standby Credit Facility for Micro & Small Enterprises (MSEs):** A Standby Credit Facility for funding unforeseen project cost overruns while sanctioning project loans.
2. **Enhanced Working Capital Limit to MSEs:** Scheme for meeting the temporary increase in working capital requirements arising due to unforeseen/ seasonal increase in demand for products sold by them.
3. **Additional Working Capital Facility:** MSE units sometimes face difficulties in getting timely credit assistance to meet the exigencies of working capital requirement, as sanction of Adhoc or ToD facility takes times. The Bank has launched this scheme to overcome the problem. This additional working capital fund is disbursed within the available DP (Drawing Power) at the time of requirement.

**E. Does the company 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 service oriented organization, providing financial services. 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, refuse 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 3: Businesses should promote the well being of all employees.**

**1. Please indicate the Total number of employees.**

The total number of employees (including those who are on deputation in the subsidiaries) as on 31<sup>st</sup> March 2019 is 70,810.

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

Nil.

**3. Please indicate the Number of permanent women employees.**

The number of permanent women employees as on 31<sup>st</sup> March 2019 is 15394.

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



The number of permanent employees with disabilities as on 31<sup>st</sup> March 2019 is 1722.

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

All India Punjab National Bank Employees Federation (AIPNBEF) and All India Punjab National Bank Officers' Association (AIPNBOA).

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

88.78% of the total officers of the Bank are members of AIPNBOA and around 79.45% of total workmen are members of AIPNBEF.

**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'19	No of Complaints pending as at end of FY'19
1	Child labour/forced labour /involuntary labour	NIL	NA
2	Sexual harassment	6	1
3	Discriminatory employment	NIL	NA

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

- A. Permanent Employees : 64.33%
- B. Permanent Women Employees: 52.39%
- C. Casual/Temporary/Contractual Employees: NIL
- D. Employees with Disabilities: 64.58%

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

**1. Has the company 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, regulatory agencies and the society. They are further segregated into various subsets for an enhanced focus.

**2. Out of the above, has the company 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. The Bank offers various products and services to cater to their specific needs.

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

The Bank believes that helping the marginalized, unbanked and financially excluded will enable them to contribute productively to the economy. Access to financial services is crucial to strengthen marginalized sections and make a significant contribution to their social and economic development. The Bank has been a keen participant in various Government schemes and has come out with products and services 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, community development through KISAN CLUBS, infrastructure creation have been undertaken to achieve the desired outcomes.

**Principle 5: Businesses should respect and promote human rights**

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

The Bank, in its agreements with various vendors, includes relevant clauses pertaining to human rights which cover adherence to labour laws and employee rights. Further, 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 2018-19 is 62,539 and 1862 complaints was outstanding as on 01.04.2018 totaling 64,401. Out of which 63,435 have been resolved during the period, with percentage of resolution at 98.50%.

Total number of shareholder complaints received during FY 2018-19 is 17, all of which were resolved.

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

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

Policy covers PNB only.

**2. Does the company 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 been involved in initiatives that promote green financing, clean energy and environment protection such as:

- a. Emphasis on clean energy projects such as solar energy, wind energy and renewable energy.
- b. The Bank discourages products and projects which adversely impact the environment, by promoting green financing.
- c. The Bank is setting up **solar energy driven ATMs**. It is also ensuring that branches have the solar energy set up to save on energy.
- d. The Bank has moved towards adoption of **Solar PV cell based sources of power** and **Solar Water Heating System** in its new buildings.
- e. The Bank is also helping to maintain ecological balance by providing aid in Solar Energy Demonstration Projects, Vermi Composting, Tree Guards, etc.
- f. 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. **100% electricity audit of all the offices** has resulted in their efficient functioning.

g. The Bank has a **State of the Art Corporate Building** at Dwarka which is an energy and time efficient building. It is a building equipped with sensors and is a **certified Green Building** having **5 Star GRIHA Rating** for best design efficiency and most modern amenities.

h. The Bank is adopting **“Green PNB”** initiatives, to help reduce wastage of resources and energy, such as reducing paper usage by printing on both sides and conserving electricity by usage of CFL bulbs, etc.

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

Yes, the Bank participates in various initiatives to address environmental concerns. The Bank avoids lending to businesses that might have any detrimental impact on the environment and the society. It attempts to mitigate environmental and social risks by complying with various local laws and regulatory guidelines.

Also, the Bank promotes financing of clean energy projects and those using renewable energy and environment friendly operations.

**4. Does the company 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 is adopting **“Green PNB”** initiatives, to help mitigate wastage of energy. The bank has embarked on its digital journey and aims to curb paper wastage by adopting digital initiatives such as Internet Banking, Mobile Banking, ATMs, UPI, etc. and encouraging paperless documentation. Huge emphasis is laid on projects that are using renewable & clean energy such as solar/ wind/ geothermal/ tidal energy etc.

**5. Has the company 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 promoting the vision of the Government to achieve 175 GW of renewable energy capacity by 2022. To promote this, the Bank has been sanctioned a line of credit of \$500 million from Asian Development Bank, for financing Rooftop Photovoltaic Solar Power Projects. A customized scheme under this facility has been formulated by the Bank. It has also laid its emphasis on financing projects such as those using Biomass, Small Hydro power and Wind Power projects.





Under **Green PNB** initiatives, the Bank is moving towards paperless banking to mitigate negative environmental impact. Customers are also encouraged to subscribe to e-statements, e-welcome kits, e-reports and messaging alerts service, while using ATMs, to avoid printing of transaction slips.

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

**6. Are the Emissions/Waste generated by the Company 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 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

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

The Bank is a member of:

- a) Indian Banks Association (IBA)
- b) Indian Institute of Banking and Finance (IIBF)
- c) Indian Institute of Bank Management (IIBM), Guwahati
- d) Confederation of Indian Industry (CII)
- e) Banks Board Bureau (BBB)
- f) Federation of Indian Chambers of Commerce and Industry (FICCI)
- g) PHD Chamber of Commerce and Industry (PHDCCI)
- h) Administrative Staff College of India, Hyderabad (ASCI)
- i) Institute of Company Secretaries of India (ICSI)
- j) 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. Whole time Directors of the 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 8: Businesses should support inclusive growth and equitable development**

**1. Does the company 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), Scheme For Rehabilitation of Manual Scavengers (SRMS), 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 Samridhi Yojana (SSY). During FY 2018-19, the Bank has extended credit facility to 1319 new MSME beneficiaries and sanctioned an amount of Rs. 362 crore under Stand Up India Scheme.

PNB has also joined the platform **PSBloansin59minutes** to provide contactless loans to MSME units. The platform has been customized for loading Bank's MSME products.

The Bank felt that the biggest challenge to fostering "Inclusive growth" is the lack of financial awareness. To address this, the Bank has 105 **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).



**Kisan Clubs** are formed for promoting financial inclusion, financial literacy and making recovery in congenial environment.

Bank is also offering following schemes for farmers:

- a. **PNB Krishak Saathi Scheme:** Under this scheme, the Bank provides finance to farmers to redeem their outstanding dues to money lenders, thereby developing synergy with the farmers and ensuring their financial inclusion.

## **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 company'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 scheme is implemented with the objective of developing the adopted villages in a holistic manner, including 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, the Bank has adopted 169 villages (78 in lead districts and 91 in non-lead districts) in different Circles.

2. Farmers' Melas/Clubs and social & cultural gatherings wherein people are made aware of various ways to improve their lifestyles.
3. Regular On-location Programmes and Kisan Goshthies are held at the doorsteps of farmers by the Farmers' Training Centres (FTCs) officials who conduct frequent visits to the villages.
4. **KISAN CLUBS** provide counselling services to the farmers. These clubs also educate them about the latest upcoming agricultural techniques in the market.
5. **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.

The scheme **PNB UJALA** was launched to provide 4 Solar Street Lights up to the cost of Rs. 80,000/- in the adopted villages and a Solar Lantern costing Rs. 500/- to each girl student already adopted under PNB LADLI Scheme. Under the scheme, 524 Solar Lights have been installed in 144 villages and 1612 Solar Lanterns given to girl students up to 31.03.2019.

6. **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 31.03.2019.

**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 9: 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?**

1.50% of customer complaints are pending at the end of FY 2018-19.

**2. Does the company 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 displayed on the Bank's website; awareness is also spread via pamphlets and brochures. Bank also advertises its products via print and electronic media. It also maintains an active presence on various social media platforms such as Facebook, Twitter and LinkedIn which effectively display various features of the products and services offered by the Bank.

**3. Is there any case filed by any stakeholder against the company 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.**

Nil

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

The Bank, as an ongoing process, measures the satisfaction level of its customers transacting banking business across various touch points through 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 know the status 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 is inviting 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. Customer Service Committees, having representation from customers, have been set up 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 (i) quality of service, (ii) ambience of its branches, etc., by conducting surveys and making outbound calls through our Contact Centers.