



ANNUAL BUSINESS RESPONSIBILITY REPORT (FY 2021-22)

SECTION A – GENERAL INFORMATION ABOUT THE COMPANY:

| | | | | |
|---|---|-------|-----------|--|
| 1. Corporate Identity Number (CIN) of the Company | L65922DL1988PLC033856 | | | |
| 2. Name of the Company | PNB Housing Finance Limited | | | |
| 3. Registered office address | 9 th Floor, Antriksh Bhawan, 22, K G, Marg, New Delhi-110001 Tel: 011-23445200, | | | |
| 4. Website | www.pnbhousing.com | | | |
| 5. E-mail id | investor.services@pnbhousing.com | | | |
| 6. Financial Year Reported | April 1, 2021 to March 31, 2022 | | | |
| 7. Listing on Stock Exchanges | Equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) | | | |
| 8. Sector(s) that the Company is engaged in (Industrial activity code-wise) | Group | Class | Sub-Class | Description |
| | 641 | 6419 | 64192 | Activities of specialized institutions granting credit for house purchases that also take deposits |
| 9. List key products/services that the Company provides | List three key products/services that the Company manufactures/provide: 1. Housing Loans 2. Deposits 3. Non-housing Loan | | | |
| 10. Total number of locations where business activity is undertaken by the Company: | | | | |
| Number of International Locations | Nil | | | |
| Number of National Locations | Branches: 99, Outreach offices: 38, Hubs: 22, Corporate office: 1 | | | |
| 11. Markets served by the Company Local/State/National/International | National | | | |

SECTION B – FINANCIAL DETAILS OF THE COMPANY:

| | |
|--|--|
| 1. Paid-up Capital (₹) | ₹ 168.60 crore |
| 2. Total Turnover (₹) for the year ended March 31, 2022 | ₹ 6,200.73 crore (consolidated) |
| 3. Total Profit After Tax (₹) for the year ended March 31, 2022 | ₹ 836.48 (consolidated) |
| 4. Total spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax | ₹ 21.11 crore (which is 2% of the average net profits of the Company during the last 3 financial years, computed as per Section 198 of the Companies Act, 2013.) |
| 5. List of activities in which CSR expenditure has been incurred | Refer to the Annual Report on CSR Activities annexed to the Directors' Report. |

SECTION C - OTHER DETAILS:

| | | |
|----|--|---|
| 1 | Does the Company have any subsidiary company/ companies? | As on March 31, 2022, PNB Housing has two wholly owned subsidiaries, namely, PHFL Home Loans and Services Limited and PEHEL Foundation |
| 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) | PHFL Home Loans and Services Limited has its own BR initiatives, however, ethos towards CSR are aligned with the PNB Housing which aims to be catalyst to enable the marginalized community to become capable and self-reliant. Further, PEHEL Foundation is a non-profit subsidiary of the Company to carry out various CSR activities of PNB Housing and PHFL Home Loans and Services Limited |
| 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%] | PNB Housing engages with various stakeholders (e.g. suppliers, employees, lenders, investors, community etc.) and communicates its BR initiatives to the concerned stakeholders |

SECTION D - BUSINESS RESPONSIBILITY (BR) INFORMATION:

| | | |
|----|---|--|
| 1 | Details of Director/Directors responsible for implementation of the BR policy/ policies | |
| a. | Details of the Director responsible for implementation of the BR policy | Name: Mr. Hardayal Prasad DIN: 08024303 Designation: Managing Director & CEO |

Company Profile

PNB Housing is a registered housing finance company with National Housing Bank. The Company was promoted by Punjab National Bank as a wholly owned subsidiary and commenced its operations on November 11, 1988. The Company came out with an IPO and got listed on the Indian stock exchanges i.e. NSE and BSE on November 07, 2016. PNB continues to be the promoter of the Company and currently holds 32.57%.

The Company is primarily engaged in the business of providing housing and non-housing loans to its retail customers. It is the 4th largest housing finance company in terms of loan assets and 3rd largest by deposits among HFCs. The underwriting of loans is performed in specialized hubs located across the country. The Company follows comprehensive underwriting process for all its loan products by using well-trained in-house teams of underwriters, technical, legal and fraud control.

The Company has a large distribution network of branches across India. As on March 31, 2022, the Company has pan India presence through 99 branches, 38 outreach locations, 22 hubs, totalling to 159 distribution/processing outlets and one registered and corporate office. The Company has no overseas branch.

The Company sources its loan business through its distribution subsidiary viz PHFL Home Loans and Services Limited as well as through outside sourcing agents (DSA). The Company publishes a Business Responsibility Report (BRR) on an annual basis. The BR report is a part of the Annual Report and is placed on the website of the Company i.e. www.pnbhousing.com

The policies are internally evaluated by various department heads, business heads and the management on a continuous basis and principal wise details are available in Section E of the Report.

**2. Principle-wise as per National Voluntary Guidelines (NVGs) Business Responsibility Policies:****(a) Details of compliance (Reply in Y/N)**

| | |
|----|--|
| P1 | Businesses should conduct and govern themselves with Ethics, Transparency and Accountability- YES |
| P2 | Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle - YES |
| P3 | Businesses should promote the well-being of all employees - YES |
| P4 | Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized- YES |
| P5 | Businesses should respect and promote human rights - YES |
| P6 | Businesses should respect, protect and make efforts to restore the environment - YES |
| P7 | Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner - YES |
| P8 | Businesses should support inclusive growth and equitable development - YES |
| P9 | Businesses should engage with and provide value to their customers and consumers in a responsible manner - YES |

(b) If answer to the question at serial number1 against any principle, is 'No', please explain why: (Tick up to 2 options):
Not Applicable

3. Governance related to BR:

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

Annually

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes. BR is available at <https://www.pnbhousing.com/investor-relations/annual-reports/>. The report is published annually.

SECTION E: PRINCIPLE-WISE PERFORMANCE:

PRINCIPLE 1 Business should conduct and govern themselves with ethics, transparency and accountability:

Ethics (Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?):

The Company makes no compromise on professional ethics. The Company is transparent and compliant with the laws of the land. The Company follows zero tolerance for bribery and corruption. The Company has formulated code of conduct for its Non-Executive Directors, Executive Directors and members of Senior Management. These codes have been placed on the website of the Company. PNB Housing has put in place a policy on ethics, transparency and accountability that applies to all internal stakeholders through the Employees' Code of Conduct.

Code of Conduct:

The Employees' Code of Conduct, which is applicable to all its employees, enunciates principles for ethical business conduct and acceptable employee behaviour. The Code mirrors, Company's core values and covers aspects related but not limited to ethics, bribery and corruption. The Code has been made available as a part of the Employees' Handbook.

Failure to comply with the code leads to disciplinary action. All the employees have been provided with a copy of Code of Conduct. The e-copy of Code of Conduct is available on employees' platform on Company's website. There are regular training programmes for the employees on Code

of Conduct. Every new joiner is also trained on Code of Conduct and is provided with a copy.

PNB Housing has put in place a Whistle Blower Policy, which provides a neutral and unbiased forum for the Directors, Employees and Business Partners of the Company to voice their concerns in a responsible and effective manner. PNB Housing has also adopted Code of Conduct with respect to the Board of Directors and Senior Management to guide the Board members and senior management for ensuring highest ethical standards in managing the affairs of the Company.

The Company has also adopted following other codes and policies. These codes and policies have been adopted by the Company towards efficient functioning, ethical decision making, risk management, governance and transparency;

- Fair Practice Code
- Know Your Customer Policy
- Code of Conduct for DSA and Deposit Agents
- Policy on Related Party Transaction
- Insider Trading Code
- Code of Practice for Fair Disclosure of Unpublished Price Sensitive Information
- Corporate Social Responsibility Policy
- Whistle Blower Policy
- Policy for Protection of Women against Sexual Harassment
- Policy on determining materiality

The policies have been formulated in consultation with the relevant stakeholders. These policies confirm to the best practices in the industry. The policies wherever required have been approved by the Board. The Board has several Committees to oversee the functioning of various policies. The policies have been placed on the website of the Company for communication to internal and external stakeholders. The policies are internally reviewed from time to time in line with business, regulatory and statutory requirements. The Company has an internal structure to ensure implementation of the policies.

The Company has a full-fledged grievance redressal mechanism to address grievances of different stakeholders at different levels. The Business Responsibility Report forms part of annual report of the Company and is published annually. The report is also available at www.pnbhousing.com.

Transparency

The Company adheres to all the applicable governmental and regulatory rules. Any breach is viewed very seriously by the management and appropriate disciplinary action is taken against the errant employee. The Board has constituted various committees such as: Audit Committee, Risk Management Committee, Credit Committee of the Board, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and IT Strategy Committee. These Committees meet periodically to supervise, review and advice on the relevant/ respective matters. All the policies of the Company are subject to review.

Corporate Governance

The Company follows high standards of corporate governance, ethical corporate behavior, integrity and transparency in conducting its business. Over the years, the Company has built long-term relationships with its borrowers, channel partners, depositors, agents and shareholders. The Company is committed towards highest standards of governance through transparency, accountability and integrity.

Stakeholders' Complaints:

The Company has a large family of loan customers, depositors, shareholders, debenture holders and channel partners. The Company has put in place a mechanism for recording and redressing complaints raised by each of these stakeholders.

Customers are most important to the Company. The Company uses digital platform for enhancing customer experience, such as customer service mobile app, customer service web portal, inbound contact centre etc. All the requests and complaints received from the customers are recorded in CRM system. During the year, the Company has received over service requests from loan and deposit customers. Majority of requests were handled within the turnaround time specified by the Company. During the year, the Company had received escalations from loan and deposit customers, which were all resolved in the standard turnaround time.

The Company has Head of Customer Service to deal with day to day customer service requests and escalations. The

complaints forwarded by the regulatory and supervisory authorities are tracked separately electronically. A grievance redressal procedure recommended by National Housing Bank (NHB) is also available on Company's website. An escalation matrix for grievance received from the investors is also available on the website of the Company.

During the year, the Company has not received any complaint from the shareholder. In addition to this, the Company has received few requests for physical copy of annual report and revalidation of dividend warrants, which has been closed.

The Company places status of requests/ complaints received, redressed and outstanding from its customers and stakeholders along with the nature of complaints and their mode of redressal, to the senior management and every quarter to the Audit Committee of the Board. The Company has a robust investor outreach programme and the Investor Relations team continue its close connect with market participants across geographies. All the information viz. quarterly results, half yearly results, annual results and other material information is intimated to the stock exchanges and uploaded on the website. The information is also emailed to the market participants and shareholders.

PRINCIPLE 2 Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

Environment

The Company provides and maintains a clean, safe, and healthy work environment for employees, customers, investors and other stakeholders. The Company encourages paperless methods of conducting business to maintain environment and save cost. The Company has introduced technologies, which encourage paperless operations and customer services. The Company is in service industry and does not engage itself in any kind of manufacturing activities as per NHB/RBI regulations.

The Company conducts legal and technical assessment of properties and projects financed by it. The Company ensures that the projects directly funded by it have environmental clearances. The loan documentation has a clause mentioning that the construction would be as per the guidelines of the National Building Code. The Company on need basis also get Environment and Social Due Diligence Assessment of the projects it has funded.

As a responsible corporate citizen, Company has taken multiple initiatives towards green & sustainable environment like: adoption of Cloud Computing Technology, promoting Virtualisation, Datacentre energy optimisation, Work from home/Teleworking platform, Paperless processing, replacing physical customer correspondence with e-Communication, etc.

The Company has, through its various CSR initiatives contributed to environment protection. The Company has rationalized consumption of electricity and usage of natural resources to save energy.

The waste generated at the Company's offices is managed as per the waste disposal process.



The Company has undertaken several digitalisation initiatives in its business that brings in time and cost efficiencies for both, borrowers and depositors. The ACE digital platform launched by the Company in FY21 for its customer on-boarding, has witnessed a phenomenal growth in on-boarding of new customers and is set to be the anchor of PNB Housing's transformation journey. More than 45,000 customers have been on-boarded through this platform since its inception. The Company is further working to strengthen the platform and create Straight Through Pass (STP) journey for its customers involving zero human intervention by using automated workflows and engines.

With the ACE digital platform, it will help in digitising the entire loan origination to documentation to disbursement process. During the year, the company has implemented robotic process automation (RPA) to enhance efficiency and reduce manual intervention for regulatory reporting. During the year, 99% of EMI was collected through digital mode. For the green initiative adopted by the Shareholders, the Annual Report of the Company were sent to them by email and all meetings/communications were held through audio video means. Overall digital initiatives have helped the Company to substantially reduce its paper consumption.

PRINCIPLE 3 Business should promote the wellbeing of all employees:

| | | | |
|------|---|--|--|
| 1. | Please indicate the Total number of employees as on March 31, 2022 | 1,425 | |
| 2. | Please indicate the Total number of employees hired on temporary/contractual/casual basis | NA | |
| 3. | Please indicate the Number of permanent women employees | 233 | |
| 4. | Please indicate the Number of permanent employees with disabilities | 2 | |
| 5. | Do you have an employee association that is recognized by management | NA | |
| 6. | What percentage of your permanent employees is members of this recognized employee association? | NA | |
| 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 | | No of complaints filed during the financial year | No of complaints pending as on end of the financial year |
| a. | Child labour/forced labour/involuntary labour | NA | NA |
| b. | Sexual harassment | 1 | Nil |
| c. | Discriminatory employment | Nil | Nil |
| 8. | What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? | | |
| a. | Total Number of unique employees who have been trained | 1,768 | |
| b. | Total Number of training programs conducted | 845 | |
| c. | Total Number of Learning Hours | 28,558 | |
| d. | Total Number of Learning hrs per employee | 16.15 | |
| e. | Total Number of Learning Days per employee | 2.02 | |
| f. | Permanent women employees to whom training has been imparted | No. of participants - 2,998 No. of Unique employees - 287 | |

During the Financial Year 2021-22, 92.76% total employees have been trained and 90.54% female employees have been trained.

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?

The Company's key stakeholders are promoters, employees, customers, business associates, investors (including shareholders), lenders, suppliers, regulatory agencies, CSR implementing agencies etc. The Company values the support of all its stakeholders and respects their interest and concerns. The Company has continuous engagement with its various stakeholders to

understand their concerns, assess their requirements and respond to their needs in an effective manner

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

The Company fully endorses and supports the government's endeavour towards its flagship scheme, Pradhan Mantri Awas Yojana. The Company is augmenting growth in lending to the affordable housing segment through Unnati.

The Company through its CSR activities has partners with outside agencies towards projects aimed

at underprivileged and marginalized sections of the society.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders?

Through our CSR initiatives, we are committed to design and implement projects that work towards socio-economic upliftment of construction workers. In FY 2021-22, the Company continued to work towards supporting its long-term initiative of providing holistic development to construction workers by supporting the skilling programmes for construction workers. We have significantly invested in initiatives related to healthcare, enabling access to formal education and water conservation. The Company upgraded the blood bank in Hyderabad in partnership with Give India by providing automated blood screening devices for children with Thalassaemia. The center will support children from underprivileged background who are suffering from Thalassaemia annually. The Company provided smokeless chulhas to rural households around Delhi NCR.

The Company is also investing in the long-term capital projects for the sustained benefit to the society. The Company supported Lotus Petal Foundation, a not-for-profit organisation for the construction of a new campus to provide education and skill development for children from less privileged backgrounds in the outskirts of Gurugram in Village Dhunela and also developed remote teaching units, directly impacting many students.

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?

Protection of human rights and prevention of violations are fundamental under all circumstances and the Company remains committed in its efforts in this direction. The Company respects and adheres to all the human rights laws framed under the Constitution of India and all other statutes which embodies the principles of human rights such as prevention of child labour, forced labour, woman empowerment etc. The Company maintains cordial and transparent relations with all its stakeholders including its employees.

Every customer, employee and other stakeholders are treated with dignity irrespective of his/ her position. It advocates as well as practices fair and transparent business conduct which is clearly embodied in its systems and policies. The Company has adopted guidelines and procedures, which are aimed at respecting human rights. The Company will continue to conduct its business in a manner that respects the rights and dignity of all the people, complying with all legal requirements. The employees are trained to respect human rights while doing business.

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

The Company has not received any complaint pertaining to violation of human rights from stakeholders in this regard.

PRINCIPLE 6 Businesses 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:

The applicability of Policy related to Principle 6 is only for the Company. The subsidiaries have their own set of policies but work on the same ethos and values. The financial services business of the Company does not require an intensive consumption of environmental resources. However, the Company is taking necessary steps for energy conservation and environment protection. The Company has rationalised consumption of electricity and usage of natural resources to save energy through:

- Use of hardware which uses optimum energy
- Use of high star rated electronic devices

The Company has taken multiple initiatives towards green & sustainable environment viz adoption of Cloud Computing Technology, promoting Virtualisation, Datacentre energy optimisation, Work from home/ Teleworking platform etc

Environment protection has been a key part of the Company's long-term CSR initiatives. The Company promotes green environment and in minimum use of paper. The Company has adopted electronic mode of communication internally and with all the stakeholders to a very large extent. The Company uses technology that helps in environment protection. The Company uses equipment and technologies that reduces waste, consume less electricity and are energy efficient. The Company shall comply with all legal / regulatory requirements related to environment protection, management and sustainable development.

As part of CSR initiative, the Company constantly contribute towards environment protection under the project environment conservation. The Company has developed and maintained green areas as part of CSR initiative. The Company will continue to work in this direction.

The Company believe that 'Nature' is the most important customer today. It is our responsibility to conserve the rapidly depleting natural wealth of planet Earth and hence the Company make all the efforts to restore the environment.



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 Company recognizes the risks associated with the climate change and global warming. The Company as a part of its CSR activities undertakes activities directly related to the environment such as:

- The Company, through its CSR arm, Pehel Foundation, has collaborated for a water conservation project. The project aims to develop the groundwater recharge potential of the water-stressed district. The project also focusses on building capacities of Panchayats to improve their functioning of key government services.
- CSR efforts towards COVID-19 includes:
 - Supported government hospitals.
 - Set up PSA technology based oxygen plant at a government hospital.
 - Provided ambulances as emergency pre-hospital medical care to the underprivileged.
 - Provided oxygen concentrators.
 - Supported PM Relief Fund
 - Contributed to the Prime Minister's National Relief Fund for COVID-19 emergency response.

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

Yes, the Company is aware of the direct and indirect environmental impact of its operations and considers them in decision making. The Company encourages housing projects, which are environmentally safe and secure.

The Company being an HFC is not engaged in a business concerning design of products that could raise social concerns, economic risks and/or hazardous opportunities. However, the Company, has designed its financial lending activities to ensure financial inclusion of various marginalized sections of the society; predominantly in geographies with limited presence of organized financiers.

The Company ensures financial inclusion of various marginalised sections of society through affordable housing to address the country's housing shortage thereby providing access to easy and affordable loans even in the remoter parts of the country. A significant portion of the company's loans are extended for "Priority Sector Lending" in line with the Government norms.

Further, the resurgence of second wave of COVID-19 virus during the first quarter of FY22 has taken its economic toll due to shut down in most parts of the world which had a huge impact on people and communities around the world. The Company participated in the ECLGS Scheme for MSMEs announced by the government of India for extending

the hands to revive the economy by extending credit to sectors which are hit by the COVID pandemic.

4. Does the company have any project related to Clean Development Mechanism?

The Company does not have any project related to Clean Development Mechanism

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

All our initiatives are towards clean technology. We use hardware in our offices, which uses optimum energy and saves in energy consumption. The Air conditioning equipment is maintained regularly thereby saving energy and costs. The Company continues to contribute towards green & sustainable environment like: adoption of Cloud Computing Technology, promoting Virtualisation, Datacentre energy optimisation, Work from home/Teleworking platform, Paperless processing, replacing physical customer correspondence with e-Communication, etc. The Company also encourages paperless process not only internally but also among the customers. Over 55% customers are on mobile app. With the use of technology, the Company has empowered its customers to use digital platforms like Homie and ACE.

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

Not Applicable

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

Nil

PRINCIPLE 7 Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner:

The Company recognizes that the housing and real estate industry play an important role in the Indian economy. The Company will continue to support and advocate for the development of housing and work towards promoting home ownership. The Company continues to make recommendations/ representations before various regulators, forums and associations relevant to further promote the housing industry.

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

The Company is a preferred partner of Confederation of Real Estate Developers' Associations of India (CREDAI) an apex body representing private Real Estate developers.

2. Has the company advocated/lobbied through above associations for the advancement or improvement of public good?

Yes, the Company worked towards public good through its initiatives of physical transformation and upgradation of infrastructure in rural, semi urban and urban locations. Details given below.

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 Company is engaged in an important business activity, which is housing finance. It is one of the fundamental requirement of a human being and a basic need for a family. The Company is participating in Pradhan Mantri Awas Yojana (PMAY) and has partnered with the nodal agency in distribution of interest subsidy under Government's Credit Linked Subsidy Scheme (CLSS) for Financial Year 2021-22.

Company has contributed through its CSR activities, details given below.

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

As part of the CSR interventions of the Company, through our section 8 Company i.e. Pehel Foundation, we have partnered with various implementing agencies such as CREDAI CSR Foundation, SM Sehgal Foundation, Don Bosco Tech Society, Haqdarshak, Lotus

Petal Foundation, NABET, Vidya, Manjari Foundation, CSRBox Foundation (SMEC Trust), Give India, American India Foundation Trust, JK Cement Nimbahera Foundation, Niramay Charitable Trust and Spherule Foundation. With these implementing agencies, we have designed and executed various programmes on the key thematic areas such as skilling of construction workers, improving access to healthcare, ensuring education to underprivileged children, environment and water conservation and COVID-19 relief work, etc.

3. Has the company done any impact assessment of its initiative?

Monitoring and evaluation is a very critical part of all the programmatic interventions that the Company executes. We have detailed implementation strategies which help us evaluate the project progress at regular intervals. The implementation agencies also submit their report with details of all those beneficiaries who have benefitted from the project and also the overall implementation of the project. Additionally, each project has been allotted with a mentor from the teams within the organization based on their expertise and interest. This not only ensures employee volunteering but also creates project ownership among the employees leading to better project implementation.

The Company conducts field visit to the project site to assess the overall feasibility of the project, which is considered to be funded. We partner with various external agencies/ consultants/auditors as well to strengthen reporting and monitoring capabilities for the larger goal of effectiveness of the program implemented.

4. What is your company's direct contribution to community development projects – Amount in ₹ and the details of the project undertaken?

In Financial Year 2021-22, the Company has spent ₹23.21 crore (consolidated) (which is 2% of the average net profit of the preceding three financial years) on community development initiatives. Further details are in the Annual Report 2021-22 on Corporate Social Responsibility Activities.

Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefitted from CSR projects | % of beneficiaries from vulnerable and marginalised groups |
|---------------------------------|---|---|--|
| PNB Housing Finance Ltd. | | | |
| 1 | To train persons in Construction related trades such as electrician carpenter and plumber | 230 | 100% |
| 2 | Setting up of 2 Physical Centres to train Persons in Construction related trade | 360 | 100% |
| 3 | To provide on the Job Training to Construction Workers | 500 | 100% |
| 4 | To enable access of Construction Workers to various entitlements and Schemes of Govt. of India | 10,000 | 100% |
| 5 | Providing Access to e-learning in Government Schools (Hybrid Model) | 2,500 | 100% |
| 6 | To support Construction of Skill Development Building for Underprivileged Children in Dhunela, Gurugram | 17,000 | 100% |
| 7 | Set up Micro Enterprise of Sanitary Pad Manufacturing Unit at IMT Manesar to be operated by Persons with Disability | 100 | 100% |
| 8 | Support operational cost of running one VIDYA School at Panchsheel Delhi | 250 | 100% |
| 9 | To provide refurbished laptops to orphaned and underprivileged children | 40 | 100% |
| 10 | Provide 3D Printer for Prosthetics to NIEPMD through Altem Technologies at Chennai | 200 | 100% |



| S. No. | CSR Project | No. of persons benefitted from CSR projects | % of beneficiaries from vulnerable and marginalised groups |
|---|--|---|--|
| 11 | To provide automated blood screening devices for Thalassemia patients | 3,000 | 100% |
| 12 | To set up ear and hearing clinic (audio biology lab) for underprivileged | 1,000 | 100% |
| 13 | To strengthen infrastructure at 5 Primary Healthcare Centres (PHCs), Community Health Centres (CHCs) | 2,50,000 | 100% |
| 14 | To provide drinking water in 2 Villages at Chittorgarh, Rajasthan | 1,000 | 100% |
| 15 | Plantation of saplings to create Miyawaki Forest | 10,000 | 100% |
| 16 | To install Community Drinking Water Plants at 5 locations | 15,000 | 100% |
| 17 | To set up waste collection and composting facility | 2,000 | 100% |
| 18 | Jal Khushhali II- A Water Conservation Project | 700 | 100% |
| 19 | Setting up a 20 bedded ICU Facility | 960 | 100% |
| 20 | Setting up a 50 bedded ICU Facility | 2,400 | 100% |
| 21 | Establishing PSA Technology Based Oxygen Plant in a Government Hospital | 36,600 | 100% |
| 22 | Provide Oxygen Concentrators for Community at Large | 10 | 100% |
| 23 | To maintain and operate two ambulances to be used for well being of underprivileged in the Society | 150 | 100% |
| 24 | Development of "Building Construction Excellence Finishing School" & "Painting & Decorating Excellence Center" | 500 | 100% |
| 25 | Establishment of five Pehel Smart Anganwadi centres for improved learning, growth and health outcomes for children | 250 | 100% |
| 26 | Establishment of three Pehel Smart Schools | 1,000 | 100% |
| 27 | To provide smokeless chulhas to persons in rural areas around Delhi NCR | 4,000 | 100% |
| 28 | Support girls' hostel by providing bunk beds, mattresses, pillows and bedsheets. | 110 | 100% |
| 29 | PM Relief Fund | NA | 100% |
| PHFL Home Loans and Services Pvt. Ltd. | | | |
| 30 | To set up IT Labs in Higher Education Institutions in Greater Mumbai Area for Accelerating Women's Transition to Workforce | 750 | 100% |
| 31 | Set up Spice Unit for Strengthening Rural Livelihoods | 38 | 100% |
| 32 | Set up Garment Production Unit | 30 | 100% |
| 33 | Inclusion of Persons with Visual Impairment through Assistive Technology Devices | 250 | 100% |
| 34 | Donation to PM Relief Fund | NA | 100% |

Under the CSR initiatives, the Company has impacted 3.5 lakh (consolidated) people during Financial Year 2021-22.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Yes, the Company has partnered with such implementation agencies, while extending its CSR contribution, for a regular track record. The Implementation agencies submit their report with details of all those beneficiaries who have benefitted from the project and also the overall implementation of the project. The Company conducts field visit to the project site to assess the overall feasibility of the project.

PRINCIPLE 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner:

Customer centric is one of the core values of the Company and has taken a number of initiatives of providing omni channel experience to the customers which integrates various modes of communication with the customers for better experience and faster resolution. Our 'customer service operations' are now ISO 9001:2015 certified. The Company has introduced non-branch/alternate channels of communication, which customers can use to interact and transact seamlessly. Through mobile application, the users can get information on loans and deposits and can avail multiple other services. Through loan application

tracker, customers can track the step by step status of loan application. The Company has been constantly investing in upgrading technology and in acquiring new technology.

The Company has started digitization of documents. Customers can get their loan documents images on various digital interfaces i.e. mobile app and the web portal. Our policies are fair and transparent at every step for the customers. The CRM system even allows on-the-job training and improvement for the relationship management team, incorporating the suggestions and feedback received from customers

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

The Company has various modes to communicate with the customers at any point of time. At the end of the year, there were 10 customer complaints pending in the system which were subsequently resolved (insignificant in percentage term). For the Financial Year 2021-22, the Company has no complaints pending in the system as on date.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

The Company is a housing finance company and hence this question is not applicable. However, features of housing loan schemes are disclosed to the applicant before financing. The Company also displays the information pertaining to its products at each of its branch offices across India. The details of the product attributes, relevant information on the products and services offered, fees and charges, benchmark interest rates, and other important notifications like 'Most Important Terms and Conditions', grievance redressal mechanism is available in all the offices and also available on the website of the Company.

The Company has formulated the Fair Practice Code which applies to all the Products and Services offered with an objective to promote good and fair practice by setting reasonable standards in dealing with the customers. The performance and financial highlights of the Company, which are disclosed to the stock exchange, are also available on the website of the Company.

The Company strives to ensure that transparent, correct and relevant information, pertaining to its products and services, is disseminated through its advertising material and the information displayed on the digital platforms owned by the Company. The Company encourages responsible and responsive communication towards all its stakeholders be it customers, media, investors, analysts, regulatory authorities, vendors and other stakeholders. The Company is a strong proponent of true and fair advertising and as such, discourages all kinds of means and activities that are unethical.

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 on end of financial year? If so, provide details thereof, in about 50 words or so.

There is no such instance.

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

The Company on a continuous basis measures the advocacy and satisfaction levels of customers across various products and digital touch points. As part of this exercise, the customer's recommendation and satisfaction levels with the product and transaction experience are measured. This feedback is then analyzed and the insights from the same are implemented to improve products and processes and enhance the service quality to the customers. In addition, extensive diagnostic research in specific areas is conducted on a regular basis. The focus of the research is to identify areas of improvement in the products and services offered to the customers and define appropriate action points for improvement.