

BUSINESS RESPONSIBILITY REPORT 2018-19

Section A: General Information about the Bank

1.	Corporate Identity Number (CIN) of the Company	Not Applicable
2.	Name of the Company	Central Bank of India
3.	Registered address	Chandermukhi Bldg., Nariman Point, Mumbai – 400 021
4.	Website	www.centralbankofindia.co.in
5.	E-mail id	investors@centralbank.co.in
6.	Financial Year reported	2018-19
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Banking & Finance
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	a) Wholesale Banking b) Retail Banking c) International Banking
9.	Total number of locations where business activity is undertaken by the Company i. Number of International Locations (Provide details of major 5) ii. Number of National Locations	i. NIL ii. 4,659
10.	Markets served by the Company – Local/State/National/International/	National and International

Section B: Financial Details of the Bank

1.	Paid up Capital (INR)	4,047.20 crore
2.	Total Turnover (INR)	25,052 crore
3.	Total profit/loss after taxes (INR)	(5,641) crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	CSR Budget for the financial year 2018-19 was NIL as Bank had incurred loss during the financial year 2017-18.
5.	List of activities in which expenditure in 4 above has been incurred:-	NOT APPLICABLE

Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	YES (The Bank has two subsidiaries)
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/Director responsible for implementation of the BR policy/policies

S. No.	Particulars	Details
1.	DIN Number (if applicable)	Not Applicable
2.	Name	Shri P R Murthy
3.	Designation	Executive Director

- a) Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	Not Applicable
2.	Name	Shri C. Lakshmi Prasad
3.	Designation	General Manager
4.	Telephone number	022-22643053
5.	e-mail id	gmoper@centralbank.co.in

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

S.No.	Questions	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	
1.	Do you have a policy/policies for principles/s	Yes								
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Yes All the policies being followed by the Bank are in conformity with the guidelines issued by various regulators and statutory bodies such as Reserve Bank of India, Ministry of Finance, Securities & Exchange Board of India, and Constitution of India, various Central and State Acts etc.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Yes								
5.	Does the Bank have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes								
6.	Indicate the link for the policy to be viewed online?	www.centralbankofindia.co.in								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8.	Does the Bank have in-house structure to implement the policy/policies.	Yes								
9.	Does the Bank have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes								
10.	Has the Bank carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes								

NOTE: There are several policies formally put in place by the Bank that govern various functions in the Bank directly or indirectly. However, at the same time, there are various guidelines, issued by the Bank from time to time, that are followed by the branches. Similarly, Bank also implements the policies framed by regulators, affiliates, associates and other statutes while carrying out banking function.

Under Principle 1, Bank follows primarily CVC guidelines as contained in the Vigilance manual issued by the Central Vigilance Commission (Link: <http://cvc.nic.in>)

Various activities under Principle 2 are governed by the Bank's Loan Policy which is meant for internal use only and, therefore, cannot be viewed online.

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

S.No.	Questions	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the Principles	NOT APPLICABLE							
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles								
3.	The company does not have financial or manpower resources available for the task								
4.	It is planned to be done within next 6 months								
5.	It is planned to be done within the next 1 year								
6.	Any other reason (please specify)								

3. Governance related to BR

1.	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
2.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	It is published annually. The hyperlink for viewing the report is https://www.centralbankofindia.co.in/English/investor_relation.aspx

Section E: Principle-wise performance

Principle 1

<p>1.</p>	<p>Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No.</p> <p>Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?</p>	<p>Yes, it covers the Bank only.</p> <p>The Bank is committed to the best practices in the area of Corporate Governance in letter and in spirit and believes that good corporate governance is much more than complying with legal and regulatory requirements. Good governance facilitates effective management and enables the Bank to maintain a high level of business ethics and to optimize value for all its stakeholders.</p> <p>The objectives can be summarized as:</p> <ol style="list-style-type: none"> To protect and enhance shareholder value. To protect the interest of all other stakeholders such as customers, employees, Government and society at large. To ensure transparency and integrity in communication and to make available full, accurate and clear information to all concerned. To ensure accountability for performance and customer service and to achieve excellence at all levels. To provide corporate leadership of the highest standards for others to emulate. <p>The Bank has laid down a well-defined Code of Conduct for its Directors and Senior Management.</p> <p>Yes, as per prescribed parameters.</p>
<p>2.</p>	<p>How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? <u>If so, provide details thereof, in about 50 words or so.</u></p>	<p>The number of complaints received from shareholders in the financial year 2018-19 was 73 and all the complaints have been resolved.</p>

Principle 2

<p>1.</p>	<p>List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.</p>	<p>The Bank provides sustainable banking products to cater to different classes of customers through an expansive network of branches, ATMs, mobile, phone and internet. Customized products include personal loans, home loans, loans for asset purchases and a wide range of savings products. The Bank also offers a selection of cards for convenience to complement the distinct lifestyle needs of customers. In addition, the Bank's Rural & Inclusive Banking Group focuses on rural and below poverty line customers.</p> <p>Financial Literacy and Credit Counseling Centre (FLCC)</p> <ul style="list-style-type: none"> ✦ We have opened 48 FLCCs in 7 States viz. Madhya Pradesh(18), Bihar(10), Maharashtra(7), Uttar Pradesh(5), West Bengal(3), Rajasthan(3) and Chhattisgarh (2). ✦ All these centres have conducted 41480 outdoor visits to the villages extending literacy/counselling to 435250 persons. Both mass campaigning and individual counselling are being done. ✦ Bank has provided them vehicle fitted with Public Address System and LCD for displaying various products/schemes being launched by banks for bringing awareness among the masses and opportunities to them for availing benefits to uplift their economic status and standard of living. Besides, we provide literacy material, kits, books etc while extending counselling as also visiting villages. <p>Rural Self Employment Training Institutes (RSETIs)</p> <ul style="list-style-type: none"> ✦ Bank has established 46 RSETIs in 9 States of the country viz. Madhya Pradesh(18), Bihar(9), Maharashtra(6), Uttar Pradesh(5), West Bengal(3), Chhattisgarh(2), Rajasthan(1), Orissa(1) and Assam(1). ✦ During the year 2018-19, the RSETIs conducted 1098 training programmes and imparted training to 31274 candidates. Out of this, 23142 (i.e.74%) trainees were settled through bank credit, wage settlement and self- finance
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<p>2.</p>	<p>For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):</p> <ul style="list-style-type: none"> 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? 	<p>Not Applicable</p>
<p>3.</p>	<p>Does the company have procedures in place for sustainable sourcing (including transportation)?</p> <p>If yes, what percentage of your inputs was sourced sustainably? <u>Also, provide details thereof, in about 50 words or so.</u></p>	<p>Not Applicable</p>
<p>4.</p>	<p>Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?</p> <p>If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	<p>Not Applicable</p>
<p>5.</p>	<p>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.</p>	<p>Not Applicable</p>

Principle 3

1.	Please indicate the Total number of employees.	35,675
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	NIL
3.	Please indicate the Number of permanent women employees.	8,240
4.	Please indicate the Number of permanent employees with disabilities	825
5.	Do you have an employee association that is recognized by management.	YES
6.	What percentage of your permanent employees is members of this recognized employee association?	91.72%

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 the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	None	None
2.	Sexual harassment	4	1
3.	Discriminatory employment	None	None

8.	<p>What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?</p> <p><input type="checkbox"/> Permanent Employees</p> <p><input type="checkbox"/> Permanent Women Employees</p> <p><input type="checkbox"/> Casual/Temporary/Contractual Employees</p> <p><input type="checkbox"/> Employees with Disabilities</p>	92.93% of our total staff has been trained in FY 2018-19 at our training colleges / training centers and at External Training Institutes.
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Principle 4

1.	Has the Bank mapped its internal and external stakeholders? Yes/No	YES
2.	Out of the above, has the Bank identified the disadvantaged, vulnerable & marginalized stakeholders.	YES The Bank is guided by Reserve Bank of India (RBI) prescribed guidelines on priority sector lending, lending to small and marginal farmers, lending to weaker section etc., and government-led initiatives to improve access to financial services, and insurance and pension cover for reaching out to disadvantaged, vulnerable and marginalized stakeholders.
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 communicates with the stakeholders through a variety of channels, such as e-mails, website, press release, advertising, meeting etc. Stakeholder engagement is embedded in all areas of the Bank. The Bank seeks feedback through its customer-facing channels, listens to all shareholders' concerns and from its employees through specifically provided channels.

Principle 5

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?	It covers the Bank only.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	The number of complaints received from shareholders in the financial year 2018-19 was 73 and all the complaints have been resolved.

Principle 6

1.	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers /Contractors /NGOs/others.	The policy covers Central Bank of India 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.	<p>The Bank is striving to reduce its operational footprints on the environment by adopting clean technology, wherever applicable. Following measures were adopted to reduce consumption of paper.</p> <ul style="list-style-type: none"> • Holding meetings of Board of Directors and Committees thereof through I-Pad. No physical copies of agendas are circulated to Directors. • Sending communication by e-mail to Zones/Regions. • Promoting use of Debit cards in SB accounts • Promoting use of POS machines • Promoting use of M-Passbooks. • Increasing share of e-transactions.
3.	Does the company identify and assess potential environmental risks? Y/N	<p>YES</p> <p>The Bank complies with applicable environmental regulations in respect of its premises and operations. The Bank also requires the borrowers of project/infrastructure loans to adhere to all applicable statutory norms including norms relating to environment protection.</p>
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?	Bank has taken various initiatives for Clean Development Mechanism – Payment to various vendors through E-payment mode (RTGS/ NEFT/NECS or credit to beneficiary account) to save paper consumption.
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.	<p>Bank has taken number of initiatives for Clean Technology, Energy Efficiency, Renewable Energy etc. Some of them are as under:</p> <ul style="list-style-type: none"> ➤ Entire Banking operations are being undertaken through CBS having State of the Art Infrastructure. ➤ The Internet Banking (INB) facility is capable of catering to 10000 users concurrently. Some technical upgradations

		<p>have been done in this year which include introduction of TLS 1.2 by replacing the SSL 3.0 to ensure better security of the transactional data. Internet Banking Database has been upgraded from Oracle 11g to 12c.</p> <ul style="list-style-type: none"> ➤ IRCTC ticket booking, e-Freight for on-line Railway Freight booking by corporate customers etc. RTGS/ NEFT facility is also available through Internet Banking and NEFT functionality is currently available 24*7 through INB including Bulk upload for Corporate (Non personal) INB customers. The facility of a light weight payment page has been introduced to facilitate faster online transaction processing. ➤ Bank has deployed entirely new module through Payment aggregator, for tax collection for Odisha, Bihar Govt. and Prime Minister National Relief Fund where customers of more than 40 banks can pay taxes. Bank has also implemented payment systems for Ministry of civil services, Food and other e-PAO's. ➤ Our Bank is one of the first banks to integrate with e-biz, mission project launched by DIPP for facilitating online payments. Various state Govt. taxes / fee collection has been enabled through our Bank.
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.	Not Applicable

Principle 7

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:	YES 1) Indian Banks Association (IBA) 2) Indian Institute of Banking and Finance (IIBF) 3) Institute of Banking Personnel Selection (IBPS) 4) National Institute of Bank Management (NIBM) 5) National Payment Corporation of India (NPCI) 6) Association of Investment Bankers of India (AIBI)
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)	Yes, The Bank has actively participated towards public and good.

Principle 8

1.	Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.	<p>Bank has taken several initiatives / programmes /projects in pursuit of the Principle 8, such as Financial inclusion initiatives:</p> <p>Financial Inclusion:</p> <p>Bank has implemented Financial Inclusion project to provide banking service in un-banked rural areas with affordable cost to the rural masses and covered them in main economical stream for inclusive growth. Bank has covered 4,330 villages with population above 2000 and 18,376 villages with population below 2000. Bank has covered all these villages through 6,387 BC Agents.</p> <p>Considering the need of the segment, bank has devised special products with low cost premium to cater to the needs of rural masses. Various models have been implemented for providing the banking services in rural and urban areas such as POS based BC model, Kiosk Banking model etc.</p>
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		<p>Progress so far:</p> <ul style="list-style-type: none"> ✦ Business through BC Outlets increased by 56.73%, from Rs.1003.94 Crores to Rs. 1573.47 Crores. ✦ FI Business increased by 28.84%, from Rs.2566.90 Crores to Rs.3307.16 Crores. ✦ Percentage of Aadhaar seeding is increased to 90.25 % from 87.32 % in PMJDY operative accounts and increased to 93.88% from 86.99 % in all operative SB accounts. ✦ No. of Transactions through BC-Outlets increased by 37.42% i.e. from 318 lakh to 437.00 lakhs. ✦ No. of BSBD Accounts increased by 9.67%; from 184.19 lakh to 202.00 lakh. ✦ No. of BC with business more than Rs. 10 lac is increased by 16.23 % i.e. from 2317 to 2693. Similarly No. of BC with business more than Rs. 1.00 Crore is increased by 121.65 % i.e. from 97 to 215. ✦ Total enrollment under Social Security Scheme during 2018-19 is PMJJBY-13,66,176, PMSBY—39,65,922 and APY—6,08,031 ✦ Out of 6090 death claims, 5903 claims are settled in PMJJBY and out of 1806 death claims,1699 claims are settled in PMSBY
2.	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	The financial inclusion project has been undertaken through in-house team.
3.	Have you done any impact assessment of your initiative?	Periodic reviews are undertaken on various projects. The Bank's initiatives in the area of rural development, particularly with regard to progress made in providing access to banking and financial services to underprivileged customers are reviewed regularly.
4.	What is your company's direct contribution to community development projects-Amount in	Corporate Social Responsibility (CSR) is the continuing commitment by business to contribute to economic development while improving the

	INR and the details of the projects undertaken.	quality of life of the workforce and their families as well as of the community and society at large. It is our continuing commitment to donate under CSR through the organization/Trust working for poor, downtrodden people of society for their upliftment for education, health, natural calamities and overall social welfare of the society. CSR Budget for the financial year 2018-2019 was NIL as Bank had incurred loss during the financial year 2017-18.
6.	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 forms the core for all initiatives undertaken by the Bank. The Bank's initiatives in the area of rural development are focused on providing opportunities to target customers to improve their livelihood.

Principle 9

1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	0.87 %
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)	Not Applicable
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.	Nil
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes, As per Government of India guidelines under EASE parameter, consumer survey is done by an independent agency for assessment of consumer satisfaction trend. To assess the quality of grievances redressal, system of obtaining feedback from customers, a functionality has been developed in Bank Complaint portal and C- STAT (Customer Satisfaction) module has been introduced in Call Center.