

BUSINESS RESPONSIBILITY REPORT
SECTION A: GENERAL INFORMATION ABOUT THE BANK

Corporate Identity Number (CIN)	Not Applicable
Name	Dena Bank
Registered address	C-10, Dena Corporate Centre, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051
Website	www.denabank.com
E-mail id	investorgrievance@denabank.co.in, irc@denabank.co.in
Financial Year reported	2017-18

The Bank is primarily engaged in providing Banking and financial services to its customers and majority of the Bank's products and services broadly fall under three categories:

- Deposits** - Basic Saving Bank Account, Dena Cash Certificate, Dena Fixed Deposit Scheme, Dena Freedom Deposit Scheme, Dena Jeevan SB Account, Dena Loan Linked Recurring Deposit Scheme, Dena Maha Tax Bachat Yojana, Dena Minor Savings Scheme, Dena Platinum Current Account Scheme, Dena Recurring Deposit Scheme, Dena Samruddhi Deposit Scheme, Dena Savifix Deposit Scheme, Dena Senior Citizen Scheme, Dena Stree Shakti, Dena Super Premium Current Account, Online Term Deposits, Premium Current Account Scheme, Premium Savings Account Scheme, etc.
- Loans and Advances** – Corporate Loan (specific scheme for Educational, Hospitality, Real Estate, Entertainment, and Hospital Industry), Dena Consumer Durable Loan, Dena Doctor +, Dena Gold Loan Scheme, Dena Loan Against Property Scheme, Dena Niwas Housing Finance Scheme, Dena Professionals Loan Scheme for CA, CS and CFA, Dena Rent Scheme (Finance against Rent receivables), Dena Senior Citizen Pensioners' Loan Scheme, Dena Suvidha (Personal Loan) Scheme, Dena Trade Finance Scheme, Dena Vehicle Loan Scheme, Dena Vidya Laxmi Educational Loan Scheme, IBA Model Skill Loan Scheme/Kaushal Wrin Yojana, etc.
- Others** – ASBA, Bancassurance, Demat Services, Dena ATM Card Services, Dena Bank One Click Payment Facility, Dena EASYPOS Point of Sale Terminals, Dena eTax Pay, Dena Gift Card, Dena Insta Pay, Dena Platinum Debit Card (RuPay), Dena Rewardz, Dena SMS Alert Services, Direct Tax Collection, Distribution of Mutual Funds, E Payment Government Treasury Departments, ESmart Services, Inbound Remittances, Indirect Tax, Internet Banking, Mobile Banking, National Pension System (NPS), Online Donations, Public Provident Fund (PPF) Account, RTGS / NEFT, RuPay PaySecure Services, Sukanya Samruddhi Account, Tab Banking, Verified by Visa Services, BHIM Aadhaar Dena, BHIM (Bharat Interface for Money), BHIM DENA UPI, e-KYC and OTP based Aadhaar Authentication, eNPS / eAPY, Goods & Service Tax (GST), Senior Citizen Savings Scheme

The Bank has its presence across the country, with 1872 branches (including 72 Satellite Offices) and more than 27 million customers as on March 31, 2018.

SECTION B: FINANCIAL DETAILS OF THE BANK AS ON 31.03.2018

Paid up Capital (INR)	Rs. 2259.05 Crore
Total Business (INR)	Rs. 180368.73 Crore
Net Loss (INR)	Rs. 1923.15 Crore
Total Spending on Corporate Social Responsibility (CSR)	Rs. 2.55 Crore

Corporate Social Responsibility:

Dena Bank is committed to the objective of corporate social responsibility (CSR) and integrates it into its business model by creating enablers for social and community development. The Bank is engaged in empowering people through various developmental initiatives. The Bank has spent **Rs. 2.55 Crores** during FY 2017-18 towards Corporate Social Responsibility.

Some of the notable projects undertaken by the Bank under CSR in the reporting year include - Construction of Dena Rural Self Employment Training Institutes (RSETI) building Dena Rural Development Foundation (DRDF), Corpus Fund -for meeting day to day operational expenses of RSETIs, etc.

SECTION C: OTHER DETAILS

Does the Bank have any Subsidiary Company/ Companies?	No
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).	Not Applicable
Do any other entity/entities (e.g. suppliers, distributors etc.) that the Bank does business with; participate in the BR initiatives of the Bank ? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Not Applicable

SECTION D: BR INFORMATION

- Details of Director / Directors responsible for BR
 - Details of the Director/Directors responsible for implementation of the BR policy/policies
 - DIN Number : NA
 - Name : Shri Ramesh S Singh
 - Designation : Executive Director

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SECTION E: PRINCIPLE-WISE PERFORMANCE

Dena bank is committed to operating and growing its business in a socially responsible way. The Bank is convinced that businesses that address both the direct concerns of citizens and the needs of the environment will prosper over the long term.

The report provides an overview of the activities carried out by the Bank under each of the nine principles as outlined in the SEBI BRR vide circular No. CIR / CFD / CMD / 10 / 2018 dated November 04, 2015 for Business responsibility.

PRINCIPLE 1 - SOUND CORPORATE GOVERNANCE

The guidelines issued by the Regulator / CVC for ensuring effective checks on corruption, malpractices, misappropriations of funds and embezzlements etc. are scrupulously followed and suitable control mechanism is in place. The Compliance function is independently monitored at Corporate Office. Bank recognizes that it is a custodian of public money and in order to fulfill its fiduciary obligations and responsibilities, it has to maintain and continue to enjoy the trust and confidence of public at large. The Bank also publishes Corporate Governance Report alongwith its Annual Report every year.

PRINCIPLE 2 – SUSTAINABLE PRODUCTS AND SERVICES

The Bank is aware of the crucial roles it plays in the economy. One providing financial products and services and another that of change agent by providing banking services to those who were financially excluded hitherto. The thrust areas include new ideas to reach customers with new technology and deepening relations. As a partner in the progress of the country, the Bank extends credit for the requirements of different sectors of economy whether it is big industry, MSME sector, exports, trade, agriculture, infrastructure and personal segment. The Bank has been a pioneer in taking meaningful initiatives for Financial Inclusion catering to the needs of the disadvantaged.

The Bank strives to develop and offer financial products and services that, directly or indirectly, lead to long term environmental benefit and social development. Some of the key products catering to customer needs as well as benefitting the environment / society, are as follows:

- ❖ **Cashless and Green banking:** To promote cashless and green banking, Bank has introduced many product viz. Core banking solution, Dena I-Connect- internet banking, mobile banking, ATMs, Micro ATMs/ TABs, USSD facility – transactions without internet, POS machine- Transaction through Ru-Pay card to PMJDY account holders, Ru-Pay Card, AEPS, E-lobbies etc, BHIM-Dena-UPI, DENA BHIM Aadhaar Merchant Pay App etc.. All Bank Mitras have been provided with 1.1.5 version inter-operable TABs. Aadhaar based transaction of TABs are routed through NPCI.
- ❖ **Financial Inclusion:** To improve financial access and real financial inclusion Bank has taken many initiatives. To improve financial access Bank has adopted strategy by arranging financial literacy camps, village meeting and awareness camps for dissemination of information of various Banking services to improve financial access to poor and under privileged people. The Bank has successfully implemented Pradhan Mantri Jan-Dhan Yojana (PMJDY). The department of Financial Services, Ministry of Finance, GOI, has declared Dena Bank as first among all banks in opening maximum accounts under the PMJDY in rural areas. Dena Bank has been awarded as Winner for “Best Financial Inclusion Initiatives” in category of Small Size Bank by Indian Banks Association (IBA) in Banking Technology Conference & Expo Awards 2018 held at Mumbai on 23rd February 2018.

- ❖ **Digital Banking:** Under Digital India Drive, Bank has adopted 52 villages for digitization in Gujarat Under Digital India Drive, Bank has State and to create awareness about Digital Payments and products such as Mobile Wallets, Rupay Debit Cards, UPI, AEPS, Mobile Banking, Internet Banking, PoS etc. Bank has arranged rural activation programmes in all these villages.
- ❖ All products and services catering to the needs of Micro, Small and Medium Enterprises (MSMEs)
- ❖ All products, services and schemes falling under Rural and Agri banking.

PRINCIPLE 3 – EMPLOYEE WELFARE

Bank is an agile and diverse organization, with people motivated to do good while working. Sustainable, profitable growth can be achieved only when people work as a team in an organization where performance is aligned with values.

HR INITIATIVES

Dena Bank believes that, a trained, motivated and productive workforce is the Bank’s biggest asset. Keeping this in view, Bank has taken many proactive steps in improving organizational efficiency by augmenting Human Resource Management. It is attracting young talents which are being mentored by the experienced employees of the Bank. Bank has streamlined various policies, processes & systems. HRM has implemented the following:

- ❖ Transparent & objective Performance Management System (PMS) incorporating Government of India guidelines on the same.
- ❖ Bank has initiated succession planning for critical roles and is in the process of building leadership pipeline.
- ❖ Introduction of HRMS, a centre for facilitating centralized sanctioning of employee benefits and redressal of employees grievances, has greatly enhanced employee satisfaction.
- ❖ Similarly, many other such initiatives have been undertaken during FY 2017-18, the objective of which is to keep the employees engaged, competitive and contented

WORK-LIFE BALANCE

There are several initiatives undertaken by the Bank to promote work-life balance for employees and makes every effort to establish employee connect and employee satisfaction. The Bank has an attractive Promotion Policy including Fast Track Promotion to take care of meritorious employees.

The Bank also provides facilities, benefits and welfare measures to its employees so that they are able to maintain a good work-life balance. The care of the medical requirements of its employees is undertaken through a hospitalization scheme with a tie-up arrangement with many hospitals across the country. The Bank has various welfare schemes viz. canteen subsidy, education loan, medical & hospitalization expenses reimbursement, etc.

Some of the other measures for the employees include Health Camps, celebrations on Bank’s Foundation Day, Hindi Divas, Independence Day, Republic Day, etc. As on 31st March 2018, the Bank had a total of 13,613 employees, out of which 3,705 were women employees and 351 were employees with disabilities.

RESPECT FOR HUMAN RIGHTS:

The Bank is committed to respecting and upholding human rights in all areas of its operations and within its sphere of influence. The Bank has established the “Sexual Harassment Redressal Committee at work places” and has put in place adequate grievance redressal mechanism to address any related concerns. The Bank also respects the right of

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its employees to form groups/associations and collectively voice their concerns. There are several employee associations in our Bank.

The Bank has nominated Officers of the rank of General Manager to function as Chief Liaison Officers to oversee implementation of Reservation Policy for Scheduled Castes, Scheduled Tribes, Other Backward Classes, Physically Handicapped and Ex-Physically Handicapped and Ex-Servicemen Employees. Quarterly Meetings with All India Dena Bank SC/ST/OBC Employees' Federation were held at periodic intervals at Head Office and Zonal Office levels to redress grievances.

Servicemen Employees. Quarterly Meetings with All India Dena Bank SC/ST/OBC Employees' Federation were held at periodic intervals at Head Office and Zonal Office levels to redress grievances.

INDUSTRY LEVEL WAGE SETTLEMENT

Wage negotiations take place between Indian Banks' Association representing the Banks and the recognized Unions/Associations through a process of collective bargaining and negotiated settlement of demands. This wage revision is valid for a period of 5 years.

TRAINING AND EMPLOYEES' SKILL DEVELOPMENT

As a learning organization, the Bank focuses on acquiring contemporary knowledge, continuous reskilling and up skilling activities and attitudinal improvements. Providing need based training to the staff members and to match it with the organizational needs is one of the strong features of Bank's training system.

The training needs are assessed and catered for all employee cadres. The Bank is committed to ensure that the staff members are competent in basic work skills and knowledge of their individual responsibilities. The training needs in the entire organizational life cycle of an employee – from entry to exit – are catered by the training system with its Apex College "Sir Sorabji Pochkhanawala Bankers' Training College", Mumbai besides other Zonal training center at various places.

EQUAL OPPORTUNITY OF EMPLOYMENT

For recruitment of management and supervisory staff / officers, clear guidelines exist concerning the identification and authorization of vacancies to be filled, with appropriate authority levels for these.

FREEDOM OF ASSOCIATION, PARTICIPATION AND COLLECTIVE BARGAINING

Bank follows the principle of freedom of association and right to negotiate. The human rights practices of Bank assure respect for the right of employees to freedom of association and recognition of employees' rights to collective bargaining, where allowable by law.

PRINCIPLE 4 – STAKEHOLDER ENGAGEMENT

For the Bank, stakeholder management is of vital importance as it helps the Bank to deliver its commitments and succeed as a business. Bank actively engages with stakeholders groups such as customers, shareholders, investors, employees, media, etc.

The Bank identifies a stakeholder as somebody who is influenced by the Bank's operations or who influences the Bank's operations. Depending on the extent of influence, they are either 'Primary', 'Secondary' or 'Key.'

Primary 'stakeholders of the Bank include, but are not limited to, employees, Customers. 'Secondary' stakeholders include, but are not limited to Local Communities, Suppliers, Industry Associations, and 'Key' stakeholders include shareholders and promoters, Regulatory bodies etc. The Bank continues to formally or informally engage with almost all of its stakeholders using a host of communication channels.

The focus of the bank is to provide excellent customer services at all touch points of the Bank viz., branch, ATM, Internet Banking, mobile banking, Call center etc. Further, the Bank has:

- ❖ Appointed Relationship Officers at Corporate Business Branches and providing them adequate training to convert the complainants into campaigners.
- ❖ Also set up a 24x7 call centre to address any queries of the customers.

The Bank is also educating its customers about various new products & services through campaigns in both the print & electronic media.

The Bank's in house magazine "Dena Jyoti" continues to be an excellent means of internal communication between management and employees with the objective of creating oneness among the staff members. The Bank's Intranet portal hosts all internal policies, guidelines, codes and communications which are accessible to all employees.

The Bank publishes quarterly results along with highlights of performance every quarter in prominent newspapers. The Bank also provides various disclosures as per SEBI (LODR) Regulation from time to time. The Bank also holds analysts and investors meet on regular basis.

The Bank maintains continuous liaison with the Govt. and other peer banks and proactively participates in various policy formulations and industry level issues to improve the functioning of banking industry in India. The top and senior management of the Bank visit urban, sub urban and rural areas, where the Bank is serving, on a periodic basis, to interact with the people and to enhance the effectiveness of the various services.

The Bank is also providing schemes under social security schemes/ programs of the government such as PMJJBY, PMSBY and Atal Pension Yojana.

PRINCIPLE 5 – RESPECT FOR HUMAN RIGHTS

Dena Bank upholds the principles of human rights and fair treatment and conducts operations with honesty, integrity and openness and with respect for human rights and interests of employees. As a responsible Corporate entity, the Bank not only follows all the guidelines, instructions, directives issued / notified by the Central / State / Local Government/s or other Statutory Authorities regarding Human Rights but also follows them in spirit.

The Bank will uphold the principles of human rights and increase general awareness of human rights for stakeholders across the value chain. The Bank expects its business partners including suppliers, business correspondents etc. to respect human rights of their workforce and avoid any violation regarding the same.

PRINCIPLE 6 – IMPACT ON ENVIRONMENT

The Bank, as a responsible corporate entity is aware of its obligations towards environment. The Bank has undertaken several initiatives for creating better environment. It has been adopting various measures to reduce its carbon footprint. All new branches / offices are being provided with LED Lighting and 5 star ACs and lighting fittings / ACs of the existing branches / offices are also being replaced in phased manner with LED Lighting / 5 star ACs for reducing energy usage. Further, the Bank plans to install roof top Solar Panels on owned buildings.

PRINCIPLE 7 – ADVOCACY FOR PUBLIC GOOD

Dena Bank practices proactive advocacy with an aim to bring about a positive impact in the business ecosystem and communities. Proactive advocacy for Dena Bank is not just about lobbying the Government for securing certain benefits for industry, but is also about advocating certain best practices for benefit of the society at large.

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The Bank is a member of various financial and industry related trade chambers and associations. Some of them are outlined below:

- ❖ Indian Banks Association (IBA)
- ❖ Indian Institute of Banking & Finance (IIBF)
- ❖ Institute of Banking Personnel Selection (IBPS)
- ❖ National Institute of Bank Management (NIBM)
- ❖ Centre for Advanced Financial Research and Learning (CAFRAL)
- ❖ Federation of Indian Chambers of Commerce and Industry (FICCI)
- ❖ International Chamber of Commerce (ICC)
- ❖ Banking Codes and Standards Board of India (BCSBI)
- ❖ National Payments Corporation of India (NPCI)
- ❖ The Clearing Corporation of India Ltd (CCI)
- ❖ Confederation of Indian Industry (CII)
- ❖ The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- ❖ National Credit Guarantee Trustee Company (NCGTC)
- ❖ National Small Industries Corporation (NSIC)
- ❖ Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE)
- ❖ National Housing Bank (NHB)

The Bank proactively engages with these bodies and provides inputs on a wide range of issues such as Annual Budget, Credit Policy / Monetary Policy, guidelines on product pricing, various surveys etc.

PRINCIPLE 8 – INCLUSIVE GROWTH

RBI defines Financial Inclusion as the process of ensuring access to financial services and timely & adequate credit where needed by vulnerable groups such as the weaker sections and low income groups at an affordable cost from mainstream financial institutions.

The Bank has taken various initiatives/projects to support inclusive growth and equitable development:

1. Pradhan Mantri Jan-Dhan Yojana (PMJDY):

As on 31.03.2018, 44.06 lacs accounts have been opened and Rs 1023.95 crore deposits mobilized under PMJDY.

Bank has approved the scheme for grant of overdraft facility upto Rs.5000/- to PMJDY customers who have opened accounts during 15.08.2014 to 26.01.2015 subject to satisfactory conduct of accounts for the period of 6 months. Bank has sanctioned overdraft to 36,968 PMJDY accounts.

The following steps were also taken up in the villages:

- a. All the BC locations are being provided with Inter-operable TABs and the required infrastructure for Aadhar Enabled Payment System (AEPS) transactions.
- b. Training of all Bank Mitrs have been provided.
- c. Besides, basic banking services, additional value added services like Loan recovery, collection of consent forms for Aadhaar seeding, Rupay card activation etc have been performed by BCs which make BC model more viable and sustainable.

2. Financial Literacy Programme:

The Bank is undertaking Financial Literacy dissemination programme as per guidelines issued by RBI / IBA. The financial literacy campaign is being taken on priority basis.

3. Special Social Security scheme:

Pradhan Mantri Suraksha Bima Yojana [PMSBY]: for accidental insurance: As on 31.03.2018 the total number of applications sourced was 17,88,262.

Pradhan Mantri Jeevan Jyoti Bima Yojana [PMJJBY]: for life insurance cover: As on 31.03.2018 the total number of applications sourced were 4,65,284

Atal Pension Yojana [APY]: Atal Pension Yojana (APY) is a co-contributory fixed Pension Yojana to address the longevity risks among the workers in unorganized sector and to encourage the workers in unorganized sectors to voluntarily save for their retirement. The number of applications sourced as of 31.03.2018 is 65,582.

PRINCIPLE 9 – CUSTOMER FOCUS

Information related to products and services are displayed on the Bank's website and also at the branch premises. The awareness about the financial products is spread through pamphlets and brochures. The Bank promotes its products in electronic and print media through effective marketing techniques and advertising.

The Bank continues to accord top priority for providing prompt and efficient service to its customers. With this end in view, the Bank has formulated a Customer Rights Policy, Grievance Redressal Policy, etc which are available on the website of the Bank. Every endeavour is made to redress the grievances of the customers within the framework laid down in the Grievance Redressal Policy.

Systems and procedures being followed by the Bank are reviewed at regular intervals to upgrade and remove systemic deficiency, if any, which help in further improvement of the customer service.