

PNB MetLife India Insurance Company Limited

Annual Corporate Social Responsibility (CSR) Report for the FY 2016-17

1) **CSR Policy**

PNB MetLife believes in being a good corporate citizen and showing its commitment to the communities in which it lives and does business with. The CSR program had been developed in 2014 around the strategy of leveraging key issues facing the community and the Company's geographical strengths (partners) to facilitate project management and volunteering. In line with this strategy, company has decided to work in the area of financial inclusion, education and development of underprivileged children, health and hygiene and promotion of national sports.

We had taken on the cause of promoting Badminton, which is a national sport, as part of our CSR initiative in 2015. For overall development of underprivileged children participation in sports is also an important element. Our badminton training camps in advance of the PNB MetLife Junior Badminton Championships have been a success.

The CSR Policy of the Company sets the framework guiding the Company's CSR activities. As part of our CSR policy, we provide three working days for our employees to be taken on volunteering activities at our CSR projects. In 2016-17 we ran the Financial Inclusion challenge where our employees partnered with participating ventures as mentors or judges to help them win a grant from MetLife Foundation of USD 150,000.

The CSR Policy was approved by the Committee at its meeting held in July 2014 and is also put up on the website of the Company.

2) **Composition of the CSR Committee**

The Company's CSR Committee comprises of 3 directors including one Independent Director, who chairs the meeting. The composition of the Committee is as below:

- Ms Anisha Motwani (Independent Director and Chairman of the CSR Committee)
- Mr. Erach Kotwal (Member)
- Mr. Surbhit Dabriwala (Non-executive Director)
- Mr. Ashish K Srivastava (Interim Principal Officer & CEO)

3) **Average net profit of the company for last three financial years:** Rs 103 crs

4) **Prescribed CSR expenditure (2 percent of last three years average profit):** Rs 2.05 Crs

5) **Carry forward from last budget –** Rs 0.45 cr

6) **Total CSR budget for 2016-17 –** Rs 2.51 cr

7) **Details of the CSR expenditure during the financial year:**

- Total amount to be spent: Rs 2.51 cr
- Amount unspent: Rs 1.18 cr (approx.)
- Manner in which the amount was spent during FY2016-17 is detailed below:

Rs in Lakhs

S. No	Project/ Activities	Sector	Locations (States and Districts)	Amount Outlay (Budget) Project or program wise	Amount spent on the project or programs	Cumulative expenditure upto reporting period	Amount spend: Direct funds to the project (we did not use an implementing agency)
1	Education, Development & health of underprivileged children (CRY and Prajna Counselling center)	Literacy	Jammu and Kashmir - districts of Baramullah, Bandipora, Pulwama and Srinagar Karnataka – District, Mangalore	80.4	79.7	79.7	79.7
3	Promotion of Badminton in India (CRY)	Sports	All India initiative	65.5	37.4	37.4	37.4
4	Insurance Awareness initiatives in semi urban and rural India – under Consumer Awareness proposal of CSR Bill (refer to clarifications issued) (Insurance Foundation of India)	Consumer Awareness	Jammu	7	6	6	6
5	Charges for management of the CSR programme capped at 5% of total Budget (Good Values)	CSR management cost	NA	9.9	9.9	9.9	9.9
TOTAL				162.8	1.33	1.33	1.33

8) **Explanation for the unspent amount**


We had estimated to spend on projects related to healthcare and digitization of education. These could not be launched. As we complete three years of our CSR programmes in 2017, we have taken the opportunity to revisit our CSR approach and move towards Shared Value based projects instead of taking a pure philanthropy route to create a deeper impact on the communities we serve.

We had anticipated a higher spend on the Insurance Awareness programmes, we were not able to consume the amount due to unrest in Jammu & Kashmir (target state for 2016-17). We will be carrying the same forward.

As the PNB MetLife Junior Badminton Championships go on till June 2017, we are yet to disburse a portion of the funds to the NGO partner for scholarships of underprivileged children.

9) **Responsibility statement of the CSR Committee**

The implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and Policy of the company.


Ms Anisha Motwani
Chairman – CSR Committee


Mr. Ashish K Srivastava
Principal Officer & CEO