

SEC/FILING/BSE-NSE/23-24/68A-B

June 01, 2023

BSE Limited

P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001
Scrip Code: 511218

National Stock Exchange of India Limited

Listing Department
Exchange Plaza, 5th Floor,
Plot no. C/1, G- Block,
Bandra-Kurla Complex,
Mumbai – 400 051
NSE Symbol: SHRIRAMFIN

Dear Sirs,

Sub.: Business Responsibility and Sustainability Report for the Financial Year 2022-23 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Pursuant to Regulation 34(2)(f) of Listing Regulations as amended, please find enclosed the Business Responsibility and Sustainability Report which forms part of the Annual Report for the Financial Year 2022-23.

We request you to take this on record and treat the same as compliance with the applicable provisions of the Listing Regulations.

Thanking you.
Yours faithfully,

For Shriram Finance Limited

U Balasundararao
Company Secretary & Compliance Officer

Shriram Finance Limited

(Formerly known as Shriram Transport Finance Company Limited)

Corporate Office : Wockhardt Towers, Level - III, West Wing, C-2, G-Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra. Ph: +91 22 4095 9595

Registered Office: Sri Towers, Plot No.14A, South Phase, Industrial Estate, Guindy, Chennai - 600 032. Tamil Nadu, India. Ph: +91 44 4852 4666

Website : www.shriramfinance.in | Corporate Identity Number (CIN) - L65191TN1979PLC007874

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65191TN1979PLC007874
2.	Name of the Listed Entity	Shriram Finance Limited (SFL)^
3.	Year of incorporation	1979
4.	Registered office address	Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu – 600 032
5.	Corporate address	Wockhardt Towers, Level - 3, West Wing, C-2, G Block, Bandra - Kurla Complex, Bandra (East), Mumbai, Maharashtra – 400 051
6.	E-mail	secretarial@shriramfinance.in
7.	Telephone	022 4095 9595
8.	Website	www.shriramfinance.in
9.	Financial year for which reporting is being done	April 01, 2022 to March 31, 2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	Rs. 374.43 crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. U Balasundararao Company Secretary and Compliance officer Contact: 022 4095 9595 Email: balasundar@shriramfinance.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

^Pursuant to the Composite Scheme of Arrangement and Amalgamation (“Scheme”), inter alia, involving amalgamation of Shriram City Union Finance Limited (SCUF) and Remaining undertaking of Shriram Capital Limited (SCL) with the Company sanctioned by the Hon’ble National Company Law Tribunal, Special Bench – II, Chennai vide its Common order dated November 14, 2022, read with Corrigendum dated November 17, 2022 to the order (“Order”) coming into effect and consequent upon the receipt of fresh ‘Certificate of Incorporation pursuant to change of name’ issued by the Registrar of Companies, the name of the Company has changed from “Shriram Transport Finance Company Limited” to “Shriram Finance Limited” with effect from November 30, 2022. Upon Scheme coming into effect, the employees of SCUF became the employees of Shriram Finance Limited. The Appointed date of the Scheme is April 01, 2022.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover)

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Financial services	The Company is primarily engaged in the business of financing commercial vehicles, passenger vehicles, construction equipment, farm equipment, micro, small and medium enterprises, two-wheelers, gold and personal loans.	93.26%

15. Products/Services sold by the entity (accounting for 90% of the entity’s Turnover)

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Financial Services	64920 - Other Credit Granting	93.26%



III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	0	2,922	2,922
International	0	0	0

17. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	25
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?	0%
c. A brief on types of customers	As a leading financial institution in the country, we pride ourselves on our commitment to serving the financial needs of the most vulnerable segments of our society. Our focus is on providing reliable and affordable financial services to Small Road Transport Operators (SRTOs) and First-Time Buyers (FTBs) who often belong to the weaker sections of society. In addition to catering to the needs of these groups, we also offer loans for equipment and other business purposes to support their growth and expansion. We extend our services to small and medium enterprises, as well as provide financial solutions for two-wheelers loans, gold, personal loans, and auto loans.

IV. Employees

18. Details as at the end of Financial Year

a. Employees and workers (including differently abled)

Sr. No.	Particulars	Total [^] (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	64,052	57,276	89.42%	6,776	10.58%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D + E)	64,052	57,276	89.42%	6,776	10.58%
WORKERS						
4.	Permanent (F)	NIL				
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

[^]Kindly refer the note mentioned against Section A (I) question 2 for more information.

b. Differently abled Employees and workers

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	65	54	83.08%	11	16.92%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	65	54	83.08%	11	16.92%



Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)		NIL			
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11.11%
*Key Management Personnel (KMP)	10	0	0%

* Excluding 3 KMP already covered under Board of Directors.

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2022-23* (Turnover rate in current FY)			FY 2021-22** (Turnover rate in previous FY)			FY 2020-21** (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
	Permanent Employees	30.23%	35.26%	30.74%*	19.70%	13.16%	19.36%**	20.46%	18.76%
Permanent Workers	NIL								

*During FY 2022-23 the high turnover was on account of employees leaving the Company in less than one year from their date of joining. Calculation methodology is as per BRSR guidelines.

**During FY 2020-21 and FY 2021-22, the turnover was on account of employees leaving the Company in less than one year from their date of joining and the new recruitment of employees having been impacted due to COVID- 19 Pandemic. Calculation methodology is as per BRSR guidelines.

*/** As per the Company’s internal guidelines, the Turnover rate is as follows

Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
	Permanent Employees	21.81%	23.52%	21.99%	16.23%	10.90%	15.95%	18.02%	16.49%

Turnover rate as per Company’s internal guidelines = (Total No. of relieved employees during the FY/ (Opening count of employees for the FY + Total count of employees added during FY)*100

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary/ associate companies / joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Shriram Housing Finance Limited	Subsidiary	84.82%	No
2.	Shriram Automall India Limited	Associate	44.56%	No



VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (Rs. in crores)	29,802.89
(iii) Net worth (Rs. in crores)	43,202.07

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)***	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year**	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)*	Yes	1	0	NA	2	0	NA
Shareholders	Yes	6	0	NA	6	0	NA
Employees and workers	Yes	0	0	NA	0	0	NA
Customers	Yes	10,490	136#	NA	3,662	65	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)		0	0	NA	0	0	NA

*Here 'Investors (other than shareholders)' refer to debenture holders of the Company.

**All previous year complaints have been resolved during the current FY.

***All grievance policies are available on the following link: <https://tinyurl.com/25z86crt>

#All these complaints were attended to and resolved, there were no complaints pending as on date.

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emissions	Risk	Electricity and fuel consumption is an energy-intensive activity and generates direct and indirect greenhouse gas (GHG) emissions, including carbon dioxide and methane from fuel use. Uncontrolled pollutants and emissions during operation and associated activities impose legal and environmental risks for the Company.	We prioritize sustainable practices and recognize the importance of mitigating greenhouse gas (GHG) emissions. To address this risk, we are committed to adopting environmentally conscious policies, investing in renewable energy sources, promoting energy-efficient practices, and engaging in carbon offset initiatives to reduce our carbon footprint and contribute to a greener future.	Negative
2	Climate Change	Risk	Climate change events pose physical risks such as floods and wildfires or transitional risks such as mandatory use of renewable energy regulations. Such events can potentially impact the business. Hence, provide an opportunity to assess and mitigate such risks.	SFL's risk mitigation approach for climate change includes assessing and managing the environmental impact of its operations, promoting renewable energy investments, implementing energy-efficient practices, and engaging in sustainable financing strategies to support climate resilience initiatives. The Company has also updated its loan policy to ensure loans are not disbursed to old vehicles that are likely to emit higher carbon in the atmosphere.	Negative
3	Customer Support and Satisfaction	Risk	In the Non-Banking Financial Company (NBFC) sector, ensuring consumer satisfaction is essential. An unsatisfactory consumer experience may pose a risk to business continuity, while a positive customer experience can ensure enhanced profits and brand reputation.	To mitigate the risk of customer dissatisfaction, we focus on proactive communication, personalized services, prompt issue resolution, and continuous feedback collection. Additionally, we invest in robust complaint management systems, staff training, and compliance with regulatory guidelines to ensure customer satisfaction and maintain trust	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Financial Inclusion	Opportunity	Financial inclusion helps NBFCs in India reach untapped markets, increase customer base, and promote financial literacy and stability. It also helps bridge the wealth gap, improve living standards, and increase access to credit, which can drive economic growth and development.		Positive
5	Responsible Financing	Opportunity	Responsible financing is important for NBFC in India because it promotes financial stability, protects the interests of borrowers, and enhances the reputation of the Company. It also helps to maintain trust and confidence in the financial system, reducing the risk of defaults and ensuring sustainable growth for the NBFC. Additionally, responsible financing practices can help to attract more investment and support the overall economic development of the country.	We have a risk mitigation approach for responsible financing by conducting thorough due diligence on borrowers and the collaterals, adhering to regulatory guidelines, maintaining strong internal controls, implementing risk assessment models, promoting financial literacy, and fostering transparency and accountability in all financial transactions.	Positive
6	Data Security and Privacy	Risk	Companies are assessed based on the amount of personal data they collect, their exposure to evolving or increasing privacy regulations, their vulnerability to potential data breaches, and their data protection systems.	To mitigate data security and privacy risks, the Company has implemented measures such as strong access controls, encryption of sensitive data, regular security audits and employee training on data handling practices.	Negative
7	Employee Wellbeing	Risk	Higher employee retention rates convey good Company's policies and practices. However, a high attrition rate indicates low employee satisfaction to investors. Ensuring employee well-being can boost employee morale and reduce hiring and on boarding costs.	We focus on implementing regular health check-ups, promoting work-life balance, offering mental health support services, conducting training on stress management, and creating a safe and inclusive work environment to ensure the overall well-being and productivity of employees.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Diversity and Inclusion	Opportunity	A Company's high diversity and inclusion rate reflects employees' sense of belonging and fairness within the Company. Improving diversity and inclusion helps companies to support vulnerable groups resulting in community brand image creation for the Company.		Positive
9	Corporate Governance	Risk	Businesses are assessed based on their performance across all key governance issues, which include ownership & control, Board pay, accounting, business ethics, and tax transparency. This topic examines the effect that a company's corporate governance and business ethics practices have on its shareholders and other investors.	Our mitigation approach for corporate governance involves implementing robust internal controls, conducting regular audits, ensuring compliance with regulatory requirements, fostering a culture of transparency and accountability, and prioritising strong risk management practices to safeguard stakeholders' interests.	Negative
10	Business Ethics	Risk	The key issue relevant to business ethics and management of business ethics issues such as fraud, executive misconduct, corrupt practices, money laundering, or anti-trust violations. Ethics violations can lead to police investigations, hefty fines, settlement costs, and damage to reputation.	SFL ensures ethical practices by implementing a comprehensive risk mitigation approach. We conduct regular training sessions to promote ethical behaviour among employees, enforce strict compliance measures, establish strong internal controls, and conduct thorough due diligence on clients. This ensures the protection of our reputation and the trust of our stakeholders.	Negative
11	Regulatory Compliance	Risk	Regulatory compliance is of crucial importance for corporations as it helps to ensure that they are operating within the legal and ethical boundaries set by government agencies and industry standards. Failure to comply with these regulations can result in significant financial and reputational consequences for the corporation, including fines, legal action, and damage to their brand and customer trust.	We ensure adherence to all applicable laws and regulations, maintain accurate documentation, conduct regular internal audits, provide training to employees, and engage with regulatory authorities to stay updated on evolving requirements.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12	Fraud Risk Management	Risk	As a NBFC, the management of fraud risk is of paramount importance. Fraud can cause significant financial losses and damage the reputation of the Company, leading to loss of customer trust and confidence.	SFL implements a robust risk mitigation approach for fraud management. We conduct regular internal audits, establish strong internal controls, employ fraud detection tools, promote ethical behaviour, and provide ongoing training to employees. By prioritizing proactive measures, we ensure the safety and trust of our stakeholders.	Negative
13	Innovation	Opportunity	Digital and business innovation is crucial for NBFCs as it enables them to increase efficiency, reduce costs, enhance customer experience, and expand reach to a wider audience. Adopting digital technologies can also help NBFCs stay competitive and meet changing customer demands in a fast-paced, technology-driven financial services industry.		Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://tinyurl.com/5n86fhst								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	-	-	-	-	-	-	-	ISO/IEC 27001:2013



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Our organisation acknowledges the significance of establishing targets to assess advancement towards achieving all the principles of the National Guidelines on Responsible Business Conduct (NGRBC). Considering that we are in our initial year of ESG adoption, we intend to specify our objectives and targets in the upcoming reporting period. We recognise the need to align our ESG efforts with our business goals, and we are committed to implementing a comprehensive and effective ESG strategy that ensures sustainability and creates long-term value for all our stakeholders. We are dedicated to enhancing our ESG practices and performance and look forward to sharing our progress in the future.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We are committed to providing comprehensive performance updates in the forthcoming years. As we navigate through the future, we intend to diligently communicate our achievements, financial results, and strategic advancements.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Dear Stakeholders,

I am pleased to present the BRSR report for Shriram Finance Limited (SFL), a leading retail NBFC committed to driving positive change in our society and environment. Our range of credit solutions includes commercial vehicles, two-wheeler loans, car loans, home loans, gold loans, personal loans, and small business loans.

We recognise that we have the dual responsibility of ensuring sustainable finance and protect the environment in our day-to-day activities. To that end, as a corporate entity, we are committed to extend financial assistance for vehicles that are run on alternate fuels and have also implemented stringent policies that prohibit financing vehicles older than 12 years. Additionally, we have transitioned to digital processes to reduce paper wastage and embraced energy-efficient lighting fixtures and gadgets to conserve energy. Water-saving measures such as sensor-based taps and water harvesting have also been adopted to minimize water wastage.

At SFL, we understand the significance of social responsibility and the impact of communities on our shared future. To this end, we have undertaken initiatives to support education, healthcare, and skill development for underprivileged sections of society. We are proud to announce that we have provided scholarships to more than 2,45,000 underprivileged children from various regions in the country. Furthermore, our preventive healthcare program for truckers has established mobile medical units across 15 locations in 11 states, benefiting the community at large. In addition, we have trained and upskilled more than 44,000 truck drivers and also 4,512 youth from rural communities have benefitted from our skill development workshops.

Corporate governance is of utmost importance to us, and we are dedicated to achieving transparency and governance goals. We adhere to established policies and frameworks that guide ethical decision-making in all our engagements. Our commitment to employee welfare is unwavering, as we provide comprehensive benefits including life, health, and accidental insurance. We also conduct skill development workshops to encourage the professional growth of our employees.

Looking ahead, SFL is steadfast in its dedication to promote Environmental, Social and Governance (ESG) practices. By incorporating ESG principles into our operations, we firmly believe that we can create a sustainable future for all.

Thank you for your continued support and partnership.

Sincerely,

Mr. Y. S. Chakravarti

Managing Director and CEO

Shriram Finance Limited



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Y. S. Chakravarti, Managing Director & CEO is responsible for the implementation and oversight of the Business Responsibility policy. Mr. S. Sunder, Joint Managing Director is Business Responsibility Head of the Company.								
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, ESG Committee of the Board of Directors is responsible for decision making on sustainability related issues and the terms and reference of the Committee as under: 1. Recommending to the Board the Company's overall general strategy with respect to ESG Matters. 2. Overseeing the Company's policies, practices and performance with respect to ESG matters and Social Finance Framework. 3. Overseeing the Company's reporting standards in relation to ESG matters and Social Finance Framework. 4. Approval of ESG Report. 5. Delegating authority to the Managing Director and CEO/or Chief Financial Officer or other authorised officers to do any acts, deeds, matters and things as may be necessary.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	ESG Committee									Annual								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Managing Director and CEO									Quarterly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	*No	*No	*No	*No	*No	*No	*No	*No	*No

*The Evaluation and assessment of the policies is done internally on a continuous basis.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA



SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	12	<ol style="list-style-type: none"> 1. Stage of induction of Independent directors 2. Updating the Independent directors about the ongoing events and developments relating to the Company 3. Detailed presentation which includes micro and macroeconomic factors impacting the industry in general 4. Functioning of various Committees of the Board and business and operations of the Company, risk management, IT strategies, internal control system etc. 5. Significant changes in regulatory environment, redressal of customers and investors complaints, risk management framework, quarterly and financial results through the Board/Committee meetings and program(s). 6. Training on BRSR Requirements and Company's preparedness towards BRSR Reporting 	100%
Key Managerial Personnel	5	<ol style="list-style-type: none"> 1. Training on BRSR Requirements and Company's preparedness towards BRSR Reporting 2. Prohibition of Insider Trading Code of the Company 	100%
Employees other than BoD and KMPs	1735	<ol style="list-style-type: none"> 1. Induction programme for field staff I-ii (cv channel) 2. Induction programme for field staff I-ii (cv channel) 3. Induction programmes for management trainees 4. Induction training programme for commercial staff 5. Induction training for top channel 6. Branch managers training 7. Branch team leaders training program 8. Gold loan training programme 9. MSME training programme 10. Shri shopkeeper insurance policy 11. Two-wheeler training programme 12. Ziva application 13. Refresher need based training 14. Refresher programme for commercial staff 15. Future leadership programme 	98%
Workers		NA	

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on entity's website:

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	0	Nil	Nil
Settlement	Nil	Nil	0	Nil	Nil
Compounding Fee	Nil	Nil	0	Nil	Nil

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes

<https://tinyurl.com/rxv3m435>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.	NA
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Leadership Indicators

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes

The Company takes annual declaration from the directors affirming compliance with the Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The Company also conducts regular internal checks to ensure the same.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0	0	NA
Capex	0	0	NA

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)	No
b. If yes, what percentage of inputs were sourced sustainably?	0%
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.	NA
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.	No

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	57,276	57,276	100%	57,276	100%	0	0%	0	0%	0	0%
Female	6,776	6,776	100%	6,776	100%	6,776	100%	0	0%	0	0%
Total	64,052	64,052	100%	64,052	100%	6,776*	100%	0	0%	0	0%

*The Maternity Leave benefit has been extended to all female employees of the Company



Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Other than Permanent employees											
Male	NIL										
Female											
Total											

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	NIL										
Female											
Total											
Other than Permanent workers											
Male	NIL										
Female											
Total											

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of employees covered as a% of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a% of total employees	No. of workers covered as a% of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	0	Y	100%	0	Y
Gratuity	100%	0	Y	100%	0	Y
ESI*	63%	0	Y	55%	0	Y
Others – Please Specify	0	0	0	0	0	0

*ESI is given to all eligible personnel only.

3. Accessibility of workplaces : Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

SFL supports its differently abled staff completely. Our premises/offices are accessible to differently abled employees wherever they are employed.



4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes

<https://tinyurl.com/mr2cwjmv>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0%	0%	NA	NA
Female	91.02%	78.21%	NA	NA
Total	91.02%	78.21%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Yes The Human Resources Management System (HRMS) Portal is available for any employee to enter his/her grievances. The portal is directly accessed by HR Head of the Company and complete confidentiality is maintained on receiving the complaints/ grievance. The HR Head of the Company works on all issues for speedy resolution.
Other than Permanent Employees	NA

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees /workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union(D)	% (D/C)
Total Permanent Employees	64,052 [^]	0	0%	25,456	0	0%
- Male	57,276	0	0%	24,058	0	0%
- Female	6,776	0	0%	1,398	0	0%
Total Permanent Workers	0	0	0%	0	0	0%
- Male	0	0	0%	0	0	0%
- Female	0	0	0%	0	0	0%

[^]Kindly refer the note mentioned against Section A (I) question 2 for more information.



8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	57,276	23,935	41.79%	23,935	41.79%	24,058	20,009	83.17%	20,009	83.17%
Female	6,776	2,648	39.08%	2,648	39.08%	1,398	929	66.45%	929	66.45%
Total	64,052[^]	26,583	41.50%	26,583	41.50%	25,456	20,938	82.25%	20,938	82.25%
Workers										
Male	NA									
Female										
Total										

[^]Kindly refer the note mentioned against Section A (I) question 2 for more information.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	57,276	22,709	39.65%	24,058	10,015	41.63%
Female	6,776	2,513	37.09%	1,398	564	40.34%
Total	64,052[^]	25,222	39.38%	25,456	10,579	41.56%
Workers						
Male	NA					
Female						
Total						

[^]Kindly refer the note mentioned against Section A (I) question 2 for more information.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?	The Company acknowledges that there are no occupational health and safety hazards associated with its business operations. However, the well-being of its employees remain a top priority. We ensure the availability of a first aid kit at our locations. We also advise our employees to use helmets while riding through various training programs.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	In light of our business operations, hazard identification may not be directly applicable. Nonetheless, we recognise the importance of continuously conducting hazard identification, which is delegated to employees who are assigned with field job in meeting the customers, vendors etc.
c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)	No
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	No

11. Details of safety related incidents, in the following format

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

All our employees are guided to wear a helmet while riding through timely campaign through various training programs.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	0
Working Conditions	0

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

NA

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of****(A) Employees (Y/N)**

Yes The Company has taken Life insurance policy for all the employees for different Sum Assured (SA) as per their employment grade. The Company has also taken Personal Accident Insurance Policy for all employees to cover the fatal accidents while on duty.

(B) Workers (Y/N): NA**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

We ensure that all statutory payment challans of previous month are attached with current invoice of our regular vendors.



PRINCIPLE 4: Businesses should respect the interests of, and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

We place great emphasis on stakeholder identification and its pivotal role in the triumph of our projects. Our meticulous approach commences with a thorough analysis of our operations to discern the vital stakeholders, encompassing employees, customers, shareholders, suppliers, vendors, government entities, and regulatory authorities. We also extend our considerations to the impact of our projects on the local communities in which we operate, valuing them as crucial stakeholders in our communication endeavours. By comprehending the needs and concerns of our stakeholders, we proactively address their expectations, mitigate potential risks, and cultivate enduring relationships that are indispensable to our prosperity. Our stakeholder identification process remains a continuous undertaking, enabling us to remain informed, engaged, and responsive to the ever-evolving needs of our stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, SMS, Newspaper, Website	Quarterly	To share updates of the Company and to call for meetings
Investors	No	Email, Newspaper, Website	Monthly	To share updates of the Company
Vulnerable Customers	Yes	Email, SMS, Newspaper, Website	As required	To share new offerings, intimate about interest rate changes
Other Customers	No	Email, SMS, Newspaper, Website	As required	To share new offerings, intimate about interest rate changes
Employees	No	Email, Website	As required	To share updates of the Company, health and safety related information and work related updates
Government and Regulators	No	Email	As required	To update on various compliances and to seek approvals
Value Chain Partners	No	Email	As required	To further strengthen the business relationship and update about the Company
CSR Community	Yes	In-person, community meetings	During and after the project implementation	To gather feedback and understand needs and engage them in the projects

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company ensures transparent communication and access to relevant information about its decisions that impact relevant stakeholders, keeping in mind the need to protect confidential competitive plans and information.

Engagement with stakeholders is a continuous process for SFL and such engagement is driven by the senior management of the Company. The ESG Committee is updated with various developments arising out of such engagement for taking its guidance / inputs on such matters.



2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No).

If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. The engagement with stakeholders on a continuous basis helps in meeting the expectations for enabling the Company to serve its stakeholders better.

The Company in the recent years has decided to fund vehicles that are run on alternate fuels and not more than 12 years old.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The Company through its CSR policy has taken up various initiatives and activities for the benefit of different segments of the society, with focus on the marginalised, vulnerable and under-privileged.

The truck drivers are imparted with upskilling driver training programme to enable them to improve their earnings. Upon completion of the training they are assessed online and certified with Level 4 certificate from Logistic Skill Council issued by Skill India.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees workers covered (B)	% (B/A)	Total (C)	No. of employees workers covered (D)	% (D/C)
Employees						
Permanent	64,052 [^]	26,583	41.50%*	25,456	20,938	82.25%
Other than permanent	0	0	0	0	0	0
Total Employees	64,052	26,583	41.50%	25,456	20,938	82.25%
Workers						
Permanent	NA					
Other than permanent						
Total Workers						

[^]Kindly refer the note mentioned against Section A (I) question 2 for more information.

*During FY 2021-22 employees were provided with physical training and training through Mobile App. The topics mentioned were covered under both the forms of training. During FY 2022-23 focus was given for training through Mycoach, an online learning platform for the employees who were trained in physical mode during FY 2021-22 and physical training was given for other employees who were not covered in the previous year.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	57,276 [^]	2,395	4.18%	54,881	95.82%	24,058	869	3.61%	23,189	96.39%
Female	6,776 [^]	914	13.49%	5,862	86.51%	1,398	170	12.16%	1,228	87.84%
Other than permanent										
Male	NIL									
Female										

Category	FY 2022-23 Current Financial Year				FY 2021-22 Previous Financial Year					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent										
Male	NIL									
Female										
Other than permanent										
Male	NIL									
Female										

^Kindly refer the note mentioned against Section A (I) question 2 for more information.

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (Rs. in Crores)	Number	Median remuneration/ salary/wages of respective category (Rs. in Crores)
Board of Directors (BoD)*	8	0.39	1	0.16
Key Managerial Personnel#	10	0.79	0	0
Employees other than BoD and KMP	57,263	0.03	6,776	0.03
Workers	0	0	0	0

*The remuneration of Board of Directors includes the remuneration paid to Executive Directors and the commission and sitting fees paid to Independent Directors for attending the Board and Committee meetings.

Excluding 3 KMP already covered under Board of Directors.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

SFL has state-wise Internal Complaints Committee (ICC) under Section 4(1) of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. Each ICC has one presiding member, three other members and an external member.

Any complaint can be emailed to the presiding officer and the grievance will be redressed by the committee in the appropriate manner within 30 days of receipt of the complaint.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA



7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We have constituted an internal complaints committee state wise to address Prevention of Sexual Harassment Committee (POSH) related complaints. Any other employee grievances are addressed through employee portal which is directly monitored by Head HR of the Company and in this process, we make sure the identity of complainant is kept confidential.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

9. Assessments for the year:

	%age of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others – please specify	0%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

NA

Leadership Indicators**1. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

We are committed to ensuring full compliance with the Persons with Disabilities Act 2016, as we actively enhance our premises to provide optimal accessibility for all visitors, including differently abled.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**Essential Indicators****1. Details of total energy consumption (in Gigajoules) and energy intensity, in the following format:**

Parameter	FY 2022-23[^] (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	86,108.73	50,515.55
Total fuel consumption (B)	1,84,891.13	1,32,601.82
Energy consumption through other sources (C)	0.00	0.00
Total energy consumption (A+B+C)	2,70,999.86	1,83,117.37
Energy intensity per rupee of turnover (Total energy consumption/turnover in Lac)	0.09	0.10
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

[^]Kindly refer the note mentioned against Section A (I) question 2 for more information.



2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 [^] (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	8,018.30	1618.7
(iii) Third party water	37,022.41	25,267.40
(iv) Seawater / desalinated water	-	0
(v) Others	-	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	45,040.71	26,886.10
Total volume of water consumption (in kilolitres)	45,040.71	26,886.10
Water intensity per Lac of turnover (Water consumed / turnover)	0.02	0.01
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

[^]Kindly refer the note mentioned against Section A (I) question 2 for more information.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Nox	NA	0	0
Sox	NA	0	0
Particulate matter (PM)	NA	0	0
Persistent organic pollutants (POP)	NA	0	0
Volatile organic compounds (VOC)	NA	0	0
Hazardous air pollutants (HAP)	NA	0	0
Others– please specify	NA	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 [^] (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	37,129.59	9,093.00
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	19,374.46	11,366.00
Total Scope 1 and Scope 2 emissions per Lac of turnover		0.01	0.01
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

[^]Kindly refer the note mentioned against Section A (I) question 2 for more information.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 [^] (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	9.63	4.49
E-waste (B)	16.80	11.36
Bio-medical waste (C)	0.00	0.00
Construction and demolition waste (D)	0.00	0.00
Battery waste (E)	25.07	16.15
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	0.00	0.00
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	19.64	14.43
Total (A+B + C + D + E + F + G + H)	71.14	46.43
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	7.47	3.37
(ii) Re-used	0.00	0.00
(iii) Other recovery operations	0.18	0.02
Total	7.65	3.39
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		



Parameter	FY 2022-23 [^] (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Category of waste		
(i) Incineration	25.93	19.54
(ii) Landfilling	6.76	3.48
(iii) Other disposal operations	26.03	24.79
Total	58.72	47.81

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

[^]Kindly refer the note mentioned against Section A (I) question 2 for more information.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We are not generating any hazardous and toxic chemicals due to nature of our business.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, Company is compliant with all the applicable laws.				



Leadership Indicators**1. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link**

In view of the COVID-19 pandemic, the Company had framed business continuity plan to avoid any disruption of critical services. During the reporting year, there were no disruptions of critical services of the Company. The Company is prepared to invoke business continuity plan as and when the likely disruptive events, their probability and impact on business operations are envisaged.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**Essential Indicators****1. a. Number of affiliations with trade and industry chambers/ associations.**

10

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Finance Industry Development Council (FIDC) Mumbai	National
2	Federation of Indian Hire Purchase Associations New Delhi	National
3	Confederation of Indian Industry New Delhi	National
4	Indian Chambers of Commerce (ICC) Kolkata	National
5	Indian Construction Equipment Manufacturers' Association (ICEMA) New Delhi	National
6	Society Of Indian Automobile Manufacturers (SIAM) New Delhi	National
7	Assocham New Delhi	National
8	All India Transporters Welfare Association (AITWA) Delhi	National
9	All India Motor Transport Congress (AIMTC) Delhi	National
10	Federation of Automobile Dealers Association (FADA) Delhi	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		



PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Preventive Health care Program for Trucking community	-	-	Yes	Yes	https://tinyurl.com/myr8szdv
STFC Regular scholarship (Scholarship for student upto Rs.3500 for standard 8 to standard 12)	-	-	Yes	Yes	

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs.)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

Step 1: Beneficiaries grievances are usually addressed by our implementing partner at their level.

Step 2: If unresolved they contact our CSR Head of the Company or visit nearest SFL branch.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23* Current Financial Year	FY 2021-22* Previous Financial Year
Directly sourced from MSMEs/ small producers	NA	NA
Sourced directly from within the district and neighbouring districts	NA	NA

* Not Applicable considering the business model of the Company.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
The rating provided by the agency for the MMU Impact Assessment Report in connection with Efficiency, Impact & sustainability is moderate.	We are currently enhancing the operational efficiency of our CSR project implementation by collaborating with our trusted implementing agencies. Our aim is to optimise the process and achieve higher levels of effectiveness, enabling us to make a greater impact in fulfilling our corporate social responsibility commitments.



2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (in crores)
1	Chhattisgarh	Korba	1.85
2	Andhra Pradesh	Visakhapatnam	0.42
3	Jharkhand	Ranchi	0.42

3. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Re Skilling-Driver training program	18,621	83%
2	Liquid Medical Oxygen driver Training program.	1,144	78%
3	2-wheeler Automotive Program	1,443	96%
4	Skill Training programme to women	63	91%
5	Primary & Secondary education Scholarship	55,748	100%
6	Higher Education Scholarship	1,373	73%
7	Education support to Schools & Under privileged children	13,801	86%
8	Sanitation	1,450	39%
9	Preventive Health Care	195,328	81%

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

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Complaints received from customers with regard to their grievances/concerns are addressed under the Grievances Redressal Mechanism as enumerated below:-

Customer Complaint Management System (CCMS)

CCMS addresses the complaints and requests raised by the customers through various channels. The Call centre/Branch/Head Office captures all the issues raised by the customers in CCMS for further action.

The complaints can be raised through the following modes:

1. Customers can raise complaints/requests by calling the Call Centre/Branch/Head Office/Registered Office
2. Customers can raise complaints/requests by sending e-mail to the designated Customer Care/Grievances mail IDs
3. Customers can raise complaints/requests through the Company's official website.



All the issues/requests raised by customers through various modes such as Call centre/Branch/Company's website/emails/ letters etc., are first entered into CCMS Application and redressed by the Branches. In case of delay in redressal of complaint by the Branch, the following escalation matrix is followed:-

Escalation Matrix:

The system auto-escalates the complaint as shown below:

Level of Escalation	Escalation to
Level 1	Branch Manager/ Credit Manager / Branch Team Leader
Level 2	Regional Business Head / Region Credit Head
Level 3	Zonal business head
Level 4	Grievance Redressal officer
Level 5	Internal Ombudsman(IO)*

*The IO deals only with those complaints which are either partly or wholly rejected by the Company.

The Company responds to the customer within a maximum period of 30 days from the date of receipt of the complaint. If the customer has not received any response within 30 days or if the customer is not satisfied with the response, then he/she can raise a complaint with the Reserve Bank of India (RBI) either through RBI CMS Portal or RBI Contact Centre as given below:-

RBI CMS Portal: <https://cms.rbi.org.in>

RBI Contact Centre Phone Number 14448

RBI Postal Address: Reserve Bank of India Centralised Receipt and Processing Centre, 4th Floor, Sector 17, Chandigarh – 160017

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	100%
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	10,490	136#		3,662	65	

All these complaints were attended to and resolved, there were no complaints pending as on date.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes

<https://tinyurl.com/2s4eautd>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

NA

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

<https://tinyurl.com/2s3fnvzp>

<https://tinyurl.com/yc3jyhxm>

<https://tinyurl.com/3kvcw6j3>

<https://tinyurl.com/288ber42>

<https://tinyurl.com/4e3uk28p>

<https://tinyurl.com/23v9u69d>

<https://tinyurl.com/364vt767>

<https://tinyurl.com/bdew98by>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

All Information related to products offered to customers are available at Company’s website. Further customer can enquire about the products through Chat bots available at Company’s website. The Customer can invest in Company’s Fixed deposits and can also repay loan instalments through Company’s website.

The Company has Board approved Fair practice Code and it is available at Company’s website and same are also placed at all the Branches. Further the Company has provided various digital facilities such as Social media, Internet, web portal etc., to customers to approach the Company with their concerns if any.

