

May 9, 2025

**National Stock Exchange of India Limited**

Exchange Plaza,  
Plot No. C/1, G Block,  
Bandra - Kurla Complex, Bandra (East),  
Mumbai - 400 051.

**BSE Limited**

Corporate Relations Department,  
1<sup>st</sup> Floor, New Trading Ring,  
P. J. Towers, Dalal Street,  
Mumbai - 400 001.

**Symbol: LTF**

**Security Code No.: 533519**

**Kind Attn: Head - Listing Department / Dept. of Corporate Communications**

**Sub: Submission of the Business Responsibility and Sustainability Report for the financial year 2024-25**

Dear Sir / Madam,

Pursuant to the requirements of Regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations, please find enclosed the Business Responsibility and Sustainability Report of the Company for the financial year 2024-25, which also forms part of the Integrated Annual Report for the financial year 2024-25.

We request you to take the aforesaid on record.

For **L&T Finance Limited**

(formerly known as L&T Finance Holdings Limited)

**Apurva Rathod**

**Company Secretary and Compliance Officer**

Encl: as above

**Registered Office**

Brindavan, Plot No. 177, C.S.T Road  
Kalina, Santacruz (East)  
Mumbai 400 098, Maharashtra, India  
CIN: L67120MH2008PLC181833

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## Business Responsibility and Sustainability Reporting (BRSR) FY 24-25

### SECTION A GENERAL DISCLOSURES

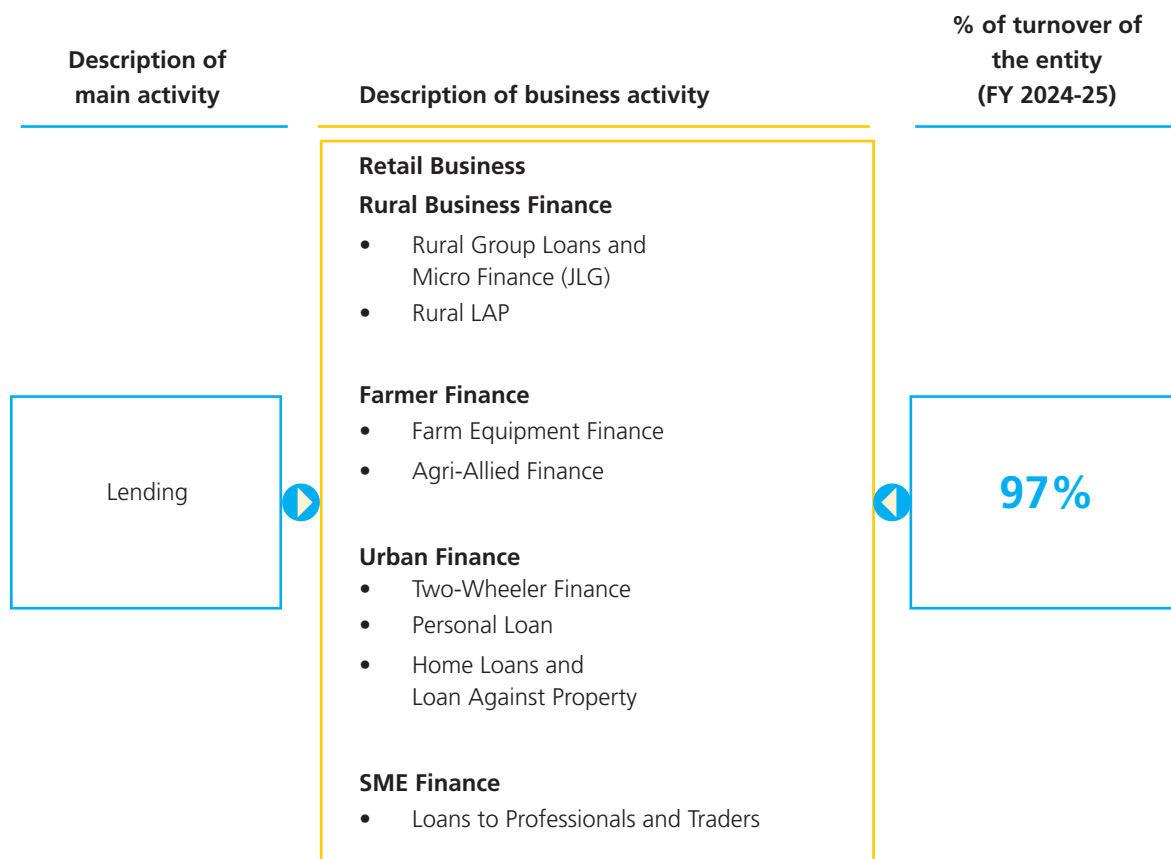
#### I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identity Number (CIN) of the Listed Entity	<b>L67120MH2008PLC181833</b>
2.	Name of the Listed Entity	<b>L&amp;T Finance Limited (formerly known as L&amp;T Finance Holdings Limited)</b>
3.	Year of incorporation	<b>2008</b>
4.	Registered office address	<b>Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India</b>
5.	Corporate address	<b>Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India</b>
6.	E-mail	<b>igrc@ltfs.com</b>
7.	Telephone	<b>+91 22 6212 5000</b>
8.	Website	<b>www.ltfinance.com</b>
9.	Financial year for which reporting is being done	<b>FY25</b>
10.	Name of the Stock Exchange(s) where shares are listed	<b>BSE, NSE</b>
11.	Paid-up Capital	<b>₹ 24,94,86,81,010</b>
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	<b>Name:</b> Apurva Rathod <b>Telephone:</b> 022 6212 5000 <b>Email:</b> igrc@ltfs.com
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).	<b>Disclosures in this report are made on a consolidated basis</b>
14.	Name of assurance provider	<b>BDO India Limited Liability Partnership</b>
15.	Type of assurance obtained	<b>1) BRSR Core Reasonable Assurance 2) BRSR Select Non-Core Limited Assurance</b>



## II. PRODUCTS/SERVICES

### 16. Details of business activities (accounting for 90% of the turnover):



### 17. 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	Retail business contributes to 97% of the total turnover	64200	97%

## III. OPERATIONS

### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of branches	Number of offices *	Total
National	2,296	1	2,297
International		N.A.#	

\*Registered / Head Office

#The company has no branches/operations outside India.

## 19. Markets served by the entity:

### a. Number of locations

Locations ■ Number ■

National  
(No. of states)

21

International  
(No. of countries)

N.A.

LTF also has its presence in 2 Union territories

### b. What is the contribution of exports as a percentage of the total turnover of the entity?

- N.A. LTF is a NBFC with all operations in India and does not export internationally.

### c. A brief on types of customers

- LTF serves the lending needs of both the urban and rural sectors and has a customer base of ~2.6 Cr
- Rural customers consist of women entrepreneurs and farmers with a customer database of ~1.7 Cr and Urban customers consists of salaried/self-employed/business persons/professionals with a database of ~0.9 Cr
- Rural Business Finance serves the rural individuals and rural enterprises (Rural Group Loans, Micro Finance and Micro LAP)
- Farmer Finance serves the rural farmers
- For urban individuals, LTF offers four products: Home Loans, LAP, Personal Loans and Two-Wheeler Finance under its Urban Business
- SME Finance serves professionals and traders and other self-employed segments

## IV. EMPLOYEES

### 20. Details as at the end of financial year:

#### a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)
<b>EMPLOYEES</b>								
1	Permanent (E)	36,521	34,562	95	1,959	5.4	0	0
2	Other than Permanent (F)	0	0	0	0	0	0	0
3	<b>Total employees (E + F)</b>	<b>36,521</b>	<b>34,562</b>	<b>95</b>	<b>1,959</b>	<b>5.4</b>	<b>0</b>	<b>0</b>
<b>WORKERS: N.A.</b>								



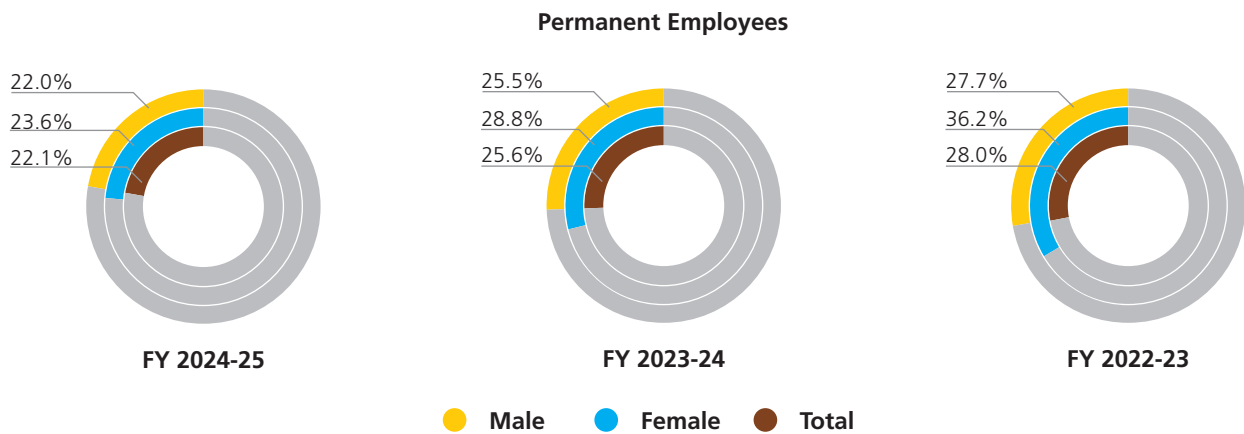
## b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>								
1	Permanent (E)	7	7	100	0	0	0	0
2	Other than Permanent (F)	0	0	0	0	0	0	0
3	<b>Total differently abled employees (E + F)</b>	<b>7</b>	<b>7</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>DIFFERENTLY ABLED WORKERS: N.A.</b>								

## 21. Participation/inclusion/representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	29
Key Management Personnel	3	1	33

## 22. Turnover rate for permanent employees and workers



Permanent Workers N.A.

## V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

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

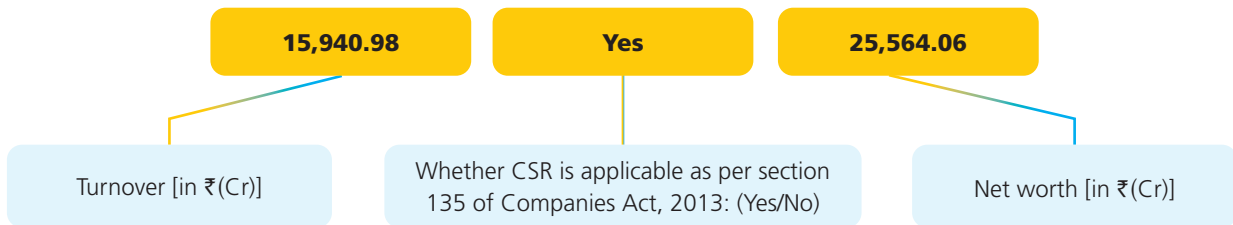
Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Larsen & Toubro Limited	Holding	66.24	No*
2	L&T Financial Consultants Limited	Subsidiary	100	Yes
3	L&T Infra Investment Partners Trustee Private Limited	Subsidiary	100	Yes
4	L&T Infra Investment Partners Advisory Private Limited	Subsidiary	100	Yes
5	Grameen Capital India Private Limited	Associate	26	No#

\*The holding company is an equity listed entity and accordingly has a separate BRSR

#No significant influence as per IndAS 28 and no consolidation of accounts with LTF

## VI. CSR DETAILS

### 24.



### 25. Transparency and Disclosures Compliances

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 2024-25 Current financial year			FY 2023-24 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 ( <a href="https://www.ltfinance.com/docs/default-source/default-document-library/governance---policies---code-2024-25/6-csr-policy_fy2022-23.pdf">https://www.ltfinance.com/docs/default-source/default-document-library/governance---policies---code-2024-25/6-csr-policy_fy2022-23.pdf</a> )	0	0	-	0	0	-
Investors* (other than shareholders)	Yes ( <a href="https://www.ltfinance.com/grievance-redressal">https://www.ltfinance.com/grievance-redressal</a> )	22	0	-	72	0	-



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 2024-25 Current financial year			FY 2023-24 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
Shareholders	Yes ( <a href="https://www.ltfinance.com/contact-us/get-in-touch">https://www.ltfinance.com/contact-us/get-in-touch</a> )	0	0	-	4	0	-
Employees and workers	Yes [(Code of Conduct) <a href="https://www.ltfinance.com/docs/default-source/corporatedisclosure/code_of_conduct_for_senior_management_and_employee.pdf">https://www.ltfinance.com/docs/default-source/corporatedisclosure/code_of_conduct_for_senior_management_and_employee.pdf</a> ]	5	1**	-	4	0	-
Customers	Yes ( <a href="https://www.ltfinance.com/grievance-redressal">https://www.ltfinance.com/grievance-redressal</a> )	16,794	773#	-	27,494	767	-
Value Chain Partners	Yes [(Third-Party Code of Conduct) <a href="https://www.ltfinance.com/docs/default-source/default-document-library/sustainability/policies/third-party-code-of-conduct.pdf">https://www.ltfinance.com/docs/default-source/default-document-library/sustainability/policies/third-party-code-of-conduct.pdf</a> ]	0	0	-	0	0	-
Other (please specify)	-	-	-	-	-	-	-

\*Holders of Non-Convertible Debentures

\*\*As on date of the issue of the Report, the pending case has been closed

# As on date of the issue of the Report, the pending case has been closed

## 26. 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	Sr. No.	Material issue identified
1	Legal and Regulatory Compliance	10	Sustainable and Responsible finance
2	Corporate Governance and Ethics	11	Human Capital Development
3	Risk and Crisis Management	12	Sustainable Value Chain
4	Innovation and Digitisation	13	Diversity, Equity and Inclusion
5	Privacy and Data Security	14	Geopolitical Risks
6	Return on Equity/Return to Shareholders	15	Operational Eco-Efficiency
7	Customer Experience and Satisfaction	16	Human Rights Protection
8	Climate and Decarbonisation Strategy	17	Community Development
9	Financial Inclusion		

Please refer the IAR FY25, section Stakeholder Engagement and Materiality Assessment for the material responsible business conduct issues and details of identified risk or/and opportunity

**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.

**P1**

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

**P2**

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

**P3**

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

**P4**

Businesses should respect the interests of and be responsive to all its stakeholders

**P5**

Businesses should respect and promote human rights

**P6**

Businesses should respect and make efforts to protect and restore the environment

**P7**

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

**P8**

Businesses should promote inclusive growth and equitable development

**P9**

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



Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>											
1.	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b.	Has the policy been approved by the Board? (Yes/No)	Yes								
	c.	Web link of the policies, if available	<b>Please refer the section Policy Compendium for accessing the policies</b>								
2.		Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.		Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
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) mapped to each principle.									
		Principle 1	ISO 20000:2018, ISO 9001:2015								
		Principle 2,4, 5, 7	-								
		Principle 3	ISO 45001:2018 OHSMS								
		Principle 6	LEED GOLD Certification, Green Certification, ISO 14064-2:2019								
		Principle 8	ISO 26000:2010								
		Principle 9	ISO 27001:2013								
5.		<b>Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.		<b>Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b>	Target met	Target met	Target met	Target met	Target met	Target met	Target met	Target met	Target met
<b>Governance, leadership and oversight</b>											
7.		<b>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)</b>									
		<p>"As a responsible business, the Company is leading the charge in Environmental, Social, and Governance (ESG) responsibility and has contributed towards reducing its carbon footprint by reducing the Greenhouse Gas (GHG) emissions while increasing reliance on renewable energy in operations. I am proud to share that the Company is well on track to meet its Carbon Neutrality by 2035 goal. By embracing green power and green attributes, your Company has avoided approximately ~3,692 tCO<sub>2</sub>e in carbon emissions. The EV financing initiative further prevented an additional ~12,675.67 tCO<sub>2</sub>e emissions, contributing significantly to a cleaner future. We have remained Water Positive / Surplus since the last three years.</p> <p>LTF's commitment to strong governance is reflected in the board composition: over 50% independent Directors, half of whom are women, with all statutory committees (where legally permissible) chaired by independent Directors. We conducted an inaugural Double Materiality Assessment, engaging internal and external stakeholders to identify 17 key material topics, achieving exceptional response rates. A first-ever Business Impact study using the 'True Value Methodology' evaluated our portfolio's environmental, economic and societal impact. Becoming a 'Partnership for Carbon Accounting Financials (PCAF) signatory, we are committed to transparent Financed emissions reporting.</p> <p>Achieving ISO 45001:2018 certification for LTF's head office underscores Company's focus on workplace safety. We reinforced Diversity, Equity, and Inclusion (DEI) through mandatory, gamified modules, translated into multiple languages, and rolled out across management levels. On the CSR front, the flagship 'Digital Sakhi' project has empowered over 1,110 Digital Sakhis, who in turn have positively impacted over 14.20 lakh individuals and upskilled more than 10,500 women entrepreneurs. The other key initiative, the 'Jalvaibhav' project, is actively replenishing water resources and promoting climate-smart agriculture. Through 'Project Prakruti', your Company has partnered with farmers to plant over 1 lakh horticulture saplings, empowering over 100 small and marginal farmers to increase their income through diversified cropping. Beyond these initiatives, we are actively involved in disaster relief, mitigating the impact of natural calamities like floods.</p>									

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9	
Considering the current environmental scenario, sustainability has become imperative for any organisation, irrespective of the sector it is operating in. NBFCs can play a crucial role in promoting sustainable practices while lending. We secured ₹ 20,480 Cr Sustainability focussed and Priority lending Loans and 50% of the Company's loan book is from low-income states - thus promoting equitable development. Going forward we intend to focus on financing sustainable practices for retail customers."											
<b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies</b>	Sudipta Roy Managing Director and Chief Executive Officer										
<b>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.</b>	Yes, CSR and ESG Committee  The role of the Corporate Social Responsibility (CSR) and Environmental, Social and Governance (ESG) Committee is crucial in ensuring that your Company operates in a responsible and sustainable manner. In accordance with Section 135 of the Companies Act, 2013, the Board has constituted this Committee to guide and oversee the direction of CSR and ESG initiatives. One of the key responsibilities of the CSR and ESG Committee is to review the CSR and ESG policies. Additionally, the progress made towards achieving sustainability/ESG and CSR goals are also placed before the Committee.										
		<b>Name of the Committee Member</b>			<b>Designation</b>			<b>Nature of Directorship</b>			
		Rajani R. Gupte			Chairperson			Independent Director			
		Sudipta Roy			Member			Managing Director and Chief Executive Officer			
		R. Seetharaman			Member			Independent Director			

**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	The Board and its sub-committees provide oversight on the implementation of all the different business responsibility and ESG policies of the Company. Long range plans and annual goals are set in light of the policies. Progress updates on these goals are updated to the board during quarterly board meetings and sub-committee meetings. Further, the progress and achievements are also discussed in the internal newsletter disseminated to Directors and employees.  In case of Board suggestions, respective departments carry out the necessary actions and update the Board.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the extant regulations and principles as are applicable. Except for the penalties mentioned (Principle 1 Essential Indicator 2), there were no material non-compliances with respect to statutory / regulatory requirements.																	



	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>11.</b> 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.	Y	Y	Y	Y	Y	Y	Y	Y	Y

LTF has an Internal Audit team which periodically audits the policies and processes with the help of external auditors. Third-Party Code of Conduct policy was reviewed by external expert/consultant.

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

N.A.

## SECTION C

## PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

### 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	7	1) Macro environment 2) Industry outlook 3) IT, Data Analytics and Digital 4) Information and Security Awareness 5) ESG 6) Marketing strategies 7) Risk management	100
	1	1) AI bootcamp (for Independent Directors)	100

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
Key Managerial Personnel	16	1) Macro environment 2) Industry outlook 3) IT, Data Analytics and Digital 4) Information and Security Awareness 5) ESG 6) Marketing strategies 7) Risk management 8) KYC AML 9) Prevention of sexual harassment 10) Code of Conduct 11) Vigil Mechanism 12) Human Rights 13) Insider trading & securities dealing code 14) AI Bootcamp	100
Employees other than BoD and KMPs	2,773	1) KYC AML 2) Prevention of sexual harassment 3) Code of Conduct 4) Vigil Mechanism 5) Human Rights 6) Insider trading & securities dealing code 7) Information and Security Awareness 8) ESG	100*
Workers		N.A.	

\*Total number of training and awareness sessions have been considered based on the headcount as on December 31st, 2024

**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 the entity's website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Department Goods and Service Tax, Government of Rajasthan	34,616	Discrepancy in Outward Tax in GSTR-1 compared to GSTR-9	Yes
Penalty/ Fine	Principle 1	Department of Goods and Service Tax, Government Of Delhi	69,030	Discrepancy in ITC availment in GSTR-3B as compared to GSTR-2A	Yes



Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Department of Goods and Service Tax, Government of Karnataka	3,81,206	<ol style="list-style-type: none"> <li>1) Short payment of GST in comparison to liability declared in GSTR-1 and paid in GSTR-3B / Delay of Reporting of Invoices.</li> <li>2) Excess availment of ITC in GSTR-3B as compared to Input Tax Credit ("ITC") available in GSTR2A</li> <li>3) Irregular ITC availed on supplies received from suppliers who have filed GSTR-1 beyond the due date</li> </ol>	Yes
Penalty/ Fine	Principle 1	Department of Goods and Service Tax, Government of Maharashtra	76,13,247	<ol style="list-style-type: none"> <li>1) Excess outward tax in GSTR 9 as compared to GSTR 3B</li> <li>2) Excess claim of ITC / ITC on Registration Cancelled Suppliers / Non-Filers</li> <li>3) Claim of blocked credit as per Section 17(5) of the Central Goods and Service Tax Act, 2017</li> <li>4) Non-payment of GST under reverse charge mechanism</li> <li>5) Credit Note difference (GSTR1 vs GSTR9)</li> </ol>	Yes
Penalty/ Fine	Principle 1	Department of Goods and Service Tax, Government of Uttar Pradesh	10,000	Input Tax Credit Mismatch	Yes
Penalty/ Fine	Principle 1	Deputy Commissioner of State Tax, Office of the Joint Commissioner of State Tax, Patna Special, Central Bihar, Bihar	11,78,985.63	<ol style="list-style-type: none"> <li>1) Tax demand erroneously levied on exempt interest</li> <li>2) Discrepancy in ITC availment in GSTR-3B as compared to GSTR-2A</li> </ol>	Yes
Penalty/ Fine	Principle 1	Deputy Commissioner of State Tax, Guwahati, Assam	2,42,396	Under declaration of Output Tax	Yes

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Deputy Commissioner, State Tax Department, Sector 21, Lucknow (C), Uttar Pradesh	15,09,267.94	1) ITC reversal on Cross Charge 2) Tax on Exempt / Nil Rated Supply 3) Credit Notes Adjustment	Yes
Penalty/ Fine	Principle 1	Department of Goods and Service Tax, Government of Tamil Nadu	30,000	Input Tax Credit Mismatch	No Appeal Filed
Penalty/ Fine	Principle 1	Department of Goods and Service Tax, Government of Tamil Nadu	40,000	Mismatch in taxpaid and Input tax Credit claimed under RCM	Yes
Penalty/ Fine	Principle 1	Office of Principal Commissioner, CGST and Central Excise, Government of Madhya Pradesh	4,14,322	1) Treatment of Credit notes 2) In-eligible ITC 3) Excess availment of ITC	Yes
Penalty/ Fine	Principle 1	Deputy Commissioner of State Tax, Department of Goods and Service Tax, Government of Maharashtra	8,64,236	1) Excess claim of Input Tax Credit; 2) Claim of Input Tax Credit on RC cancelled suppliers 3) Claim of Input Tax Credit on GSTR-3B non-filers 4) Claim of Input Tax Credit on GSTR-1 non-filers 5) Claim of ineligible Input tax credit 6) ITC availed after date of availment 7) Disallowance of credit note	Yes
Penalty/ Fine	Principle 1	Deputy Commissioner of State Tax, Sector 1, Dehradun, Uttarakhand - 248001	35,345	Excess claim of Input Tax Credit	Yes



Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Deputy Commissioner of State Tax, Special Circle, Patna, Bihar	28,73,927.88	<ol style="list-style-type: none"> <li>1) Excess claim of Input Tax Credit</li> <li>2) Turnover related adjustments in GSTR9</li> <li>3) Erroneous additions on reverse charge liability and other expenses</li> </ol>	Yes
Penalty/ Fine	Principle 1	Department of Goods and Service Tax, Government of Delhi	7,17,185	<ol style="list-style-type: none"> <li>1) Mismatch in Input Tax Credit</li> <li>2) Proportionate reversal of ITC against exempt Income</li> <li>3) Ineligible ITC</li> </ol>	Yes
Penalty/ Fine	Principle 1	Department of Goods and Service Tax, Government of Delhi	15,34,727	<ol style="list-style-type: none"> <li>1) Mismatch in Input Tax Credit</li> <li>2) Proportionate reversal of ITC against exempt Income</li> <li>3) Ineligible ITC</li> </ol>	Yes
Penalty/ Fine	Principle 1	Department of Goods and Service Tax, Government of Tamil Nadu	40,000	Ineligible Input Tax Credit	No Appeal filed
Penalty/ Fine	Principle 1	Deputy Commissioner of State Tax, Mulund West 505, Mumbai North East, Maharashtra	87,35,613	<ol style="list-style-type: none"> <li>1. Excess claim of Input Tax Credit</li> <li>2. Short Payment of Output Tax Liability</li> <li>3. Short Payment of Reverse Charge Liability</li> </ol>	Yes



Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Additional Commissioner, CGST and C.EX., Palghar Commissionerate, Office of the Commissioner of CGST, Palghar, 5th floor, Plot No. C-24, Sector-E, Central GST Bhavan, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051	112,01,85,000	<p>In the course of its retail lending business, the Company leveraged its vast pan India network (i.e. branches, meeting centres and Dealers/DSA network and other touch points) to provide marketing and brand promotion support services to promote various insurance products for a service fee consideration. Such activity is an integral part of the loan sourcing activity carried out by the Company's network across India. The Company has duly paid applicable GST on such service fees consideration.</p> <p>In respect of such services, the Company has received a penalty demand order from Additional Commissioner, CGST and C.EX., Palghar Commissionerate, Office of the Commissioner of CGST, Palghar stating that the Company has allegedly raised invoices without actual rendering of services.</p>	Yes
Penalty/ Fine	Principle 1	Assistant Commissioner of CGST and Central Excise, Egmore Division- Chennai North Commissionerate, Tamil Nadu	98,69,045	<ol style="list-style-type: none"> <li>1. Short Payment of Output Tax Liability;</li> <li>2. Non-reversal of ITC against Credit notes reflecting in Form 2A;</li> <li>3. Excess claim of Input Tax Credit;</li> <li>4. Non reversal of Ineligible GST Input tax credit.</li> </ol>	Yes
Settlement	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding fee	N.A.	N.A.	N.A.	N.A.	N.A.

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)	
Imprisonment	0	0	0	No	
Punishment	0	0	0	No	



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
In terms of the instances wherein appeal has been referred to as disclosed in question 2 above, the necessary appeals have been filed with the respective state GST Appellate Authorities.	

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. The anti-corruption policy adopted by the Company addresses in detail and effectuates the Company's commitment to comply with laws, rules and regulations relating to interactions with Government officials with respect to the Company's business and details certain provisions of the Company's Code of Conduct. This policy does not prohibit interactions with Government officials; rather, it forbids corrupt interactions. Purpose of the policy is to help the Company's employees identify and avoid situations that could potentially violate anti-bribery and anti-corruption laws or create any appearance of impropriety.

This policy is applicable to all Directors, officers, and employees, as well as all outside parties acting on behalf of the Company in India as well as in foreign jurisdiction, including but not limited to, contract workers, agents and intermediaries, consultants, representatives, distributors, teaming partners, contractors and suppliers, consortia, and joint venture partners.

Please refer the section Policy Compendium for accessing the policy.

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 2024-25 Current financial year	FY 2023-24 Previous financial year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	N.A.	N.A.

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

	FY 2024-25 Current financial year		FY 2023-24 Previous financial year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of conflict of interest of the KMPs	0	-	0	-

**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.**

N.A. There are no regulatory directions against LTF and/ or pendency of proceeding pertaining to anti-competition law to the best of our knowledge.

**8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:**

	FY 2024-25 Current financial year	FY 2023-24 Previous financial year
Number of days of accounts payables	4.18	3.88

**9. Open-ness of business**

**Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances and investments, with related parties, in the following format:**

	Metrics	FY 2024-25 Current financial year	FY 2023-24 Previous financial year
Concentration of purchases	a. Purchases from trading houses as % of total purchases		-
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of sales	a. Sales to dealers/distributors as % of total sales		N.A.*
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors		
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	6.57	6.88
	b. Sales (Sales to related parties/Total Sales)	0	0
	c. Loans and advances (Loans and advances given to related parties/Total loans and advances)	0	0
	d. Investments (Investments in related parties/Total Investments made)	0	0

\*We have over 13,000+ distribution touch points through which we distribute our financial services products wherein customers who come to purchase farm equipment or two-wheeler may choose our services. These includes authorised dealers of farm and two - wheeler OEMs with whom we have tie-ups wherein we are present in their dealerships as a financier. Similarly, for our Personal Loans and Home Loans business, we have tie-ups with Direct Selling Agents ('DSA') and developers through which customers may choose to avail home loans, loan against property, personal loans and SME finance. However, all loans are disbursed directly by LTF and these tie ups with DSAs and developers are customer touchpoints only. Therefore, this performance indicator is not applicable in case of our business model.



## Leadership Indicators

### 1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	All 9 principles	>75

As part of the signing of the Third-Party Code of Conduct, since FY22 all vendors are made aware of LTF's ESG requirements and ESG and sustainability-related policies that they need to adhere to and abide by. LTF finalised a Value Chain ESG Assessment framework in FY24 and rolled out the assessment covering >75% of its value chain partners (upstream and downstream) and continued with the same framework for FY25. As part of the framework, awareness sessions were organised for value chain partners in FY24.

Incrementally, in FY25, LTF conducted its 1st ever value chain connect on ESG, to share best practices on ESG with participation of top banks, vendor and even investors from LTF's value chain.

### 2. 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

As per our Code of Conduct applicable to Non-Executive Directors, the Directors cannot be involved in a situation in which they may have a direct or indirect interest that conflicts or possibly may conflict with the interest of the Company. The Company follows the principle of 'no conflict of interest' while inducting a Director on its Board and strives to maintain the same throughout the Board member's tenure.

## 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.

	FY 2024-25 Current financial year	FY 2023-24 Previous financial year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

Given the nature of business, LTF does not have dedicated budget for R&D. In FY 2024-25, LTF has invested Rs. 26.02 Cr on its Project Cyclops. Project Cyclops is a proprietary, AI-ML-based credit engine that offers deep customer insights by analyzing bureau data, account aggregators, and alternate trust signals. This triad approach gives a nuanced understanding of potential borrowers, enabling more accurate credit underwriting and superior portfolio quality. The ensemble scorecards developed are based on historical credit performance across multiple data axes. Since its launch for two-wheeler loans in June, Project Cyclops has significantly reduced delinquencies and improved efficiency. Through Project Cyclops, LTF aims to further improve its credit offerings significantly.

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

**b. If yes, what percentage of inputs were sourced sustainably?**

0.1%

**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.**

- 1) LTF is a Non-banking Financial Company (NBFC) and provides financial services. We do not manufacture any product which needs to be reclaimed for reusing, recycling and disposing at the end of life. Moreover, the Company recycles all the e-waste generated through an authorised recycler.
- 2) LTF has taken up and achieved the target of Zero-Single use plastic at its corporate office and uses steel bins instead of plastic bins for disposal of food waste and waste generated by employees. Also, through awareness on recycling of waste, segregation of waste, LTF encourages sustainable ways of handling its waste and has appointed a certified waste segregator at head office as part of its action towards zero waste to landfill.
- 3) Additionally, in FY25, LTF conducted its maiden waste management study covering top 50 branches, leading to enhanced disclosures and practices. The study also helped identify recommendations for further improving the waste management practices.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

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.

### Leadership Indicators

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
No					

\*LTF has undertaken estimation of its financed emissions on select portfolios in FY24 and FY25. However, LTF intends to evaluate a comprehensive LCA for its services when material and feasible.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of product / service	Description of the risk / concern	Action taken
N.A.	N.A.	N.A.



3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 Current financial year	FY 2023-24 Previous financial year
Recycled paper*	87%	79%

\*Percentage of A4 recycled paper used in LTF's business operations, mainly desktop and partly business stationery. Business stationery which is required to be preserved as per regulatory guidelines is excluded.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.

N.A. LTF is a Non-banking Financial Company (NBFC) and provides financial services. We do not manufacture any product which needs to be safely reclaimed for reusing, recycling and disposing at the end of life.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

N.A.

## 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	Total (A)	% of employees covered by									
		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)
<b>Permanent employees</b>											
Male	34,562	34,562	100	34,562	100	0	0	34,562	100	0	0
Female	1,959	1,959	100	1,959	100	1,959	100	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>36,521</b>	<b>36,521</b>	<b>100</b>	<b>36,521</b>	<b>100</b>	<b>1,959</b>	<b>5</b>	<b>34,562</b>	<b>95</b>	<b>0</b>	<b>0</b>
<b>Other than Permanent employees - 0</b>											

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

N.A.

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format**

	FY 2024-25 Current financial year	FY 2023-24 Previous financial year
Cost incurred on well-being measures as a % of total revenue of the company	0.26*	0.24*

\*Well-being measures spent is calculated in line with Industry Standard Note on BRSR Core reporting standard. The number for FY 2023-24 is also revised accordingly. Earlier reported spent was 0.40%

**2. Details of retirement benefits.**

Benefits	FY 2024-25 Current financial year			FY 2023-24 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	N.A.	Y	100	N.A.	Y
Gratuity	100	N.A.	Y	100	N.A.	Y
ESI	63	N.A.	Y	67	N.A.	Y
Others – please specify	-					

**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.**

Yes. Necessary arrangements have been made at the corporate office and one branch in Kolkata to provide access to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016. Also, LTF has put in place an ESG due diligence process for opening of new branches, which also checks whether there are provisions regarding accessibility by PWDs. Moreover, LTF has adopted a sustainability target to improve workplace accessibility for Persons with Disability (PWDs) for all large offices and major branches by FY29.

**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

The policy is available at: <https://www.ltfinance.com/docs/default-source/default-document-library/sustainability/policies/human-rights-policy.pdf>



## 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	100	82	N.A.	
Female	96	37		
Other	-	-		
Total	99	59		

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

	(If yes, then give details of the mechanism in brief)
Permanent Workers	N.A.
Other than Permanent Workers	N.A.
Permanent Employees	Yes
Other than Permanent Employees	-

Employees can address their complaints and grievances through multiple channels. Employees can report any breach of Code of Conduct by sending an email to [code@lts.com](mailto:code@lts.com). The Code of Conduct committee comprises of senior Company officials, who investigate the complaints thoroughly. Incidents of sexual harassment can be reported by sending an email to [wecare@lts.com](mailto:wecare@lts.com). The Internal Committee, which consists of senior Company officials/leaders, conducts appropriate investigation into the complaints as per the POSH policy. Any unethical conduct or any action that is against LTF's interests can be reported by sending an email to [whistleblower@lts.com](mailto:whistleblower@lts.com). The Company strives to ensure speedy resolution of grievances through various channels and ensuring confidentiality.

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

N.A. LTF does not have any employee associations. However, LTF respects the right to freedom of association and does not discourage collective bargaining.

## 8. Details of training given to employees and workers:

Category	FY 2024-25 Current financial year					FY 2023-24 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)
<b>Employees</b>										
Male	34,562	33,451	97	30,245	88	29,143	28,041	96	28,414	97
Female	1,959	1,883	96	1,660	85	1,391	1,315	95	1,322	95
Other	0	0	0	0	0	-	-	-	-	-
<b>Total</b>	<b>36,521</b>	<b>35,334</b>	<b>97</b>	<b>31,905</b>	<b>87</b>	<b>30,534</b>	<b>29,536</b>	<b>96</b>	<b>29,736</b>	<b>97</b>
<b>Workers - N.A.</b>										

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

Category	FY 2024-25 Current financial year			FY 2023-24 Previous financial year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	34,562	29,498	85.35	29,143	24,997	85.77
Female	1,959	1,591	81.21	1,391	1,189	85.48
Other	-	-	-	-	-	-
<b>Total</b>	<b>36,521</b>	<b>31,089</b>	<b>85.13</b>	<b>30,534</b>	<b>26,186</b>	<b>85.76</b>
<b>Workers - N.A.</b>						

## 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, what is the coverage of such a system?

Yes

LTF's Health and Safety policy has been approved by the Board and CSR and ESG Committee. The policy is applicable to all LTF offices and branches. In FY25, head office of LTF was certified with ISO 45001:2018 Standard on Occupational Health and Safety Management System (OHSMS).

Various other health and safety initiatives and measures have been implemented for all employees in accordance with the policy, such as, Stepathon, awareness on mental and physical health, awareness campaigns about LTF's health and safety programmes and benefits.

LTF also sets goals to strengthen its health and safety procedures. A road safety element was also incorporated into the daily pledge of the frontline employees, to upheld the best practices of health and safety. For new hires, dedicated training on road safety during their induction is carried out. Helmets were also distributed to frontline officers as safety gears at multiple locations PAN India. LTF is also a signatory to the WASH initiative. Regular monitoring and review of all safety appliances, such as firefighting equipment and artificial defibrillators, is conducted, on a regular basis. In addition to various initiatives, in FY25, LTF conducted Hazard Identification and Risk Assessment study across 25 branches, covering head office and branches in all four zones. The purpose of conducting HIRA was to identify potential hazards and risks related to it and provide control measures to abate identified hazards and risks.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Being complaint with ISO 45001:2018 certification for its head office, LTF conducted training on ISO 45001:2018, with different stakeholders at head office. The trained employees further carried out internal audits related to occupational health and safety. LTF also has an OHS manual in place validated by external expert. In FY25, LTF continued to conduct Hazard Identification and Risk Assessment study noting down potential hazards as observations in the set template.

A total of 25 samples sites, head office and branches across all 4 zones, pan India were covered under the Hazard Identification and Risk Assessment ("HIRA"). LTF has put in place an ESG framework/checklist for opening of new branches including points to identify work related hazards and risk. LTF ensures that the workplace is designed with the health and safety of its employees in mind.

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

N.A.



**d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?**

Yes

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

Safety Incident/Number	Category	FY 2024-25* Current financial year	FY 2023-24* Previous financial year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	0
	Workers	N.A.	N.A.
Total recordable work-related injuries	Employees	-	0
	Workers	N.A.	N.A.
No. of fatalities	Employees	0	0
	Workers	N.A.	N.A.
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	N.A.	N.A.

\* Data pertains to LTF premises

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

Various health and safety initiatives are implemented across locations. LTF has conducted HIRA study to identify potential hazards and risks related to it and provide control measures to abate the hazards and risk pertaining to them. LTF has also conducted training on ISO 45001:2018, with different stakeholders at head office.

All branches are equipped with regularly monitored and refilled fire extinguishers. Emergency mock drills are conducted across major branches to create awareness amongst employees in case of an emergency. In FY25, the Company conducted 32 fire mock drills in case of emergency evacuation at head office and major branches, covering all 4 zones, pan India. Also at head office, a UVC Nanotechnology AC system has been installed to provide a safe and germ-free working environment for employees. Awareness is spread on wellbeing and mental wellbeing of individual employees. All employees of LTF are also benefited by 24x7 doctors and ambulance on-call services through its dedicated mobile based application. Both periodic maintenance and unforeseen inspections are carried out to guarantee that every location is kept up to date and safe from any mishaps.

Additionally, helmets are provided to frontline employees as safety gears and as a preventive measure. Experts in both road safety and EMI collection safety train new hires. A method for safely collecting EMI has been created. In order to promote proper posture and working circumstances, ergonomic seats and furniture are provided.

Employee health, including that of their families, is taken into consideration in addition to physical safety. Medical insurance is provided by the Company to all employees and their dependents.



**13. Number of complaints on the following made by employees and workers**

	FY 2024-25 Current financial year			FY 2023-24 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	-	0	0	-
Health and Safety	0	0	-	0	0	-

**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	1*
Working Conditions	1

\*Calculated basis number of branches as on March 31, 2025

**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 and safety practices and working conditions.**

There were no corrective actions taken for FY25. Further, the Company is in compliance with ISO 45001:2018 certification for its head office. For other premises the Company has been following standard operating procedures so as to comply with state/local level extant regulations and ensures safety and hygiene protocols. Necessary safety practices are being followed by employees, customers and other visitors on Company premises.

**Leadership Indicators**

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

Employees- Yes  
Workers- N.A.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

LTF has implemented a Third-party Code of Conduct since FY22. The code establishes standards and sets expectations from its value chain partners with regards to terms of ethical and responsible business practices and conduct, including inter-alia statutory compliance, governance, sustainable sourcing, environmental stewardship and socially sustainable practices. Thus, through awareness and necessary certifications, LTF ensures that statutory dues have been deducted and deposited by the value chain partners.





3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 Current financial year	FY 2023-24 Previous financial year	FY 2024-25 Current financial year	FY 2023-24 Previous financial year
Employees	0	0	0	0
Workers	N.A.	N.A.	N.A.	N.A.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)  
No

5. Details on assessment of value chain partners:

LTF has finalised a value chain ESG assessment framework and rolled out the assessment covering >75% of its value chain in FY 24 and FY25. Building on its engagement of successfully conducting its 1st ever ESG connect amongst its value chain partners, LTF also aims to create awareness on Human Rights with its value chain.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	>75
Working conditions	>75

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No corrective action was necessitated.

## 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.

LTF believes in partnering with its various stakeholders to build shared value and uses a structured approach of stakeholder identification. The Company's stakeholders include both individuals and organisations, within and outside the Company, who are significantly impacted by its business operations. LTF's ongoing engagements are designed to determine the needs and priorities of stakeholders, communicate the Company's efforts to fulfil their expectations, and provide speedy resolution of grievances. LTF uses a variety of structured engagement channels to gain insights into stakeholder views and concerns.

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 & marginalized 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
Employees	No	E-mail, intranet, website, podcasts, radio, WhatsApp, Town Halls, Employee Survey, One-on-One / Skip-level discussions with Managers and Human Resource Engagement events, 270 degree feedback for business leaders and above	<ul style="list-style-type: none"> <li>• Monthly</li> <li>• Quarterly</li> <li>• Half yearly</li> <li>• Annually</li> <li>• Need based</li> </ul>	a) Talent management b) Employee engagement c) Learning and development d) Productivity e) Work-life balance f) Staff welfare g) Health and Safety h) Remuneration and employee benefits
Investors	No	Website, Quarterly Investor presentations, Quarterly Investor calls, Investor meetings, Non-Deal Roadshows (NDR), Integrated Annual Report	<ul style="list-style-type: none"> <li>• Monthly (except during specified silent periods)</li> <li>• Quarterly</li> <li>• Annually</li> </ul>	a) Market outlook b) Business strategy and updates c) Operational efficiency d) Long-term business performance e) ESG risks and opportunities in business f) Technology in business
Regulators	No	E-mail, Physical filing	<ul style="list-style-type: none"> <li>• As prescribed under regulations and need based</li> </ul>	a) Compliance with rules and regulations b) Corporate governance framework c) Long-term business performance d) Financial performance e) Prudent business practices f) Workforce engagement
Customers	Yes	E-mail, SMS, calls, digital avenues like chat-bot, WhatsApp, self-help website and PLANET App	<ul style="list-style-type: none"> <li>• Monthly</li> <li>• Quarterly</li> <li>• Annually</li> <li>• Need based</li> </ul>	a) Best-in-class service for customers b) Effective customer grievance redressal mechanism c) Net Promoter Score (NPS) for customer satisfaction d) Maintaining customer data privacy and security e) Suitability of products and service f) Transparent and fair advice



Stakeholder Group	Whether identified as vulnerable & marginalized 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
Vendors and CSR implementing partners	No	Website, meetings, surveys, annual value chain connect and workshop, annual events like R.AI.SE.	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Annually</li> <li>As needed</li> </ul>	a) Fair contractual terms and adherence thereto b) ESG Assessment c) Transparent, ethical and long-term business relations d) Regular exchange of technical know-how
Community	Yes	Community meetings, house-hold visits	Annually, at periodic intervals as part of implementing CSR initiatives	a) Stakeholder programmes to advocate sustainable customer behaviour b) Digital financial inclusion c) Advocacy of best practices d) Public policy advocacy e) Disaster management f) Road safety g) Integrated water resource management h) Sustainable Livelihood through tree plantation

Key concerns or topics raised by various stakeholders are considered, and if found relevant, necessary actions are taken including amendments to the policies.

## 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 management team of the Company regularly interacts with various stakeholders at periodic intervals through varied means to gather insights as well as seek their feedback and inputs on pertinent issues. The insights / feedback / inputs so received are discussed and if found feasible, presented to the Board as well as its Committees through various means like incorporating them in the policy framework, carrying out process improvements, etc.
- In addition to the aforesaid, Board members also interact with customers directly during the branch / field visits conducted by them. The Chairperson of the Audit Committee independently interacts with the auditors rating agencies, and regulators and provides the feedback to the Board.  
Thus, there exists a strong process on consultation with the stakeholders and keeping the Board aware of the insights / feedback / inputs.
- Various Board members also visit CSR project sites as part of familiarisation visits and interact with beneficiaries.

**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. On a number of important projects, like Double Materiality Assessment, Business Impact Study, ISO 45001:2018 certification, etc., LTF engaged with third-party consultants who interacted with different stakeholders to provide responsible solutions. The consultants have been engaged to offer advice on various ESG-related matters, particularly ESG roadmap. Second party studies by independent consultants on plantation, social impact, water conservation projects and employee engagement survey were also undertaken.

For more details, please refer to the Stakeholder Engagement section of the Report

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

LTF has been successful in meeting the requirements of the marginalised and vulnerable population through its Rural Business Finance and Farmer Finance businesses. LTF has effectively reached out to communities through its Sustainability Focused Loans and Priority Sector Lending. Through the Company’s CSR programmes, LTF remained resolute in its pursuit of the Sustainable Development Goals and the empowerment of marginalised populations.

**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 2024-25			FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	36,521	35,255	97	30,534	29,356	96
Other than permanent	0	0	0	0	0	0
<b>Total employees</b>	<b>36,521</b>	<b>35,255</b>	<b>97</b>	<b>30,534</b>	<b>29,356</b>	<b>96</b>
<b>Workers - N.A.</b>						





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

Category	FY 2024-25					FY 2023-24				
	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)
<b>Employees</b>										
<b>Permanent</b>										
Male	34,562	580	2	33,982	98	29,143	681	2	28,462	98
Female	1,959	94	5	1,865	95	1,391	92	7	1,299	93
Other	0	0	0	0	0	0	0	0	0	0
<b>Total employees</b>	<b>36,521</b>	<b>674</b>	<b>3.5</b>	<b>35,847</b>	<b>96.5</b>	<b>30,534</b>	<b>773</b>	<b>4.5</b>	<b>29,761</b>	<b>97</b>
<b>Workers - N.A.</b>										

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

### a. Median remuneration / wages:

Category	Male		Female		Other	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)	5	27,65,000*	2	29,12,500	0	0
Key Managerial Personnel**	2	4,24,53,571	1	N.A.	0	0
Employees other than BoD and KMP**	34,560	3,19,437	1,958	2,64,302	0	0

\*For Non-Executive Directors (except Mr. S.N. Subrahmanyam and Mr. R. Shankar Raman who do not draw remuneration from the Company), fees and commission paid in respect of the Company as per the criteria and structure approved is considered

\*\* Gross wages are considered as basic pay for the employees

### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25 Current financial year	FY 2023-24 Previous financial year
Gross wages paid to females as % of total wages*	6.71	6.73

\*Gross wages are considered as basic pay for the employees

## 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)

Adherence of Human Rights is critical and a basic requirement at LTF. The Code of Conduct for employees covers all ethical and responsible business conduct. Any violation to the Code of Conduct can be reported to the Code of Conduct Committee. The violations can be reported by writing a mail to code@lfts.com.

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

LTF derives its principles and values from its parent company, L&T. This includes respecting honest, ethical, and professional standards of behaviour as well as respect for human values and individual dignity. The Company has put in place a Code of Conduct to ensure that employees are actively guided by these principles and follow them. The Code of Conduct outlines expectations from employees in terms of professionalism, information exchange, and vendor interactions. The training for the Code of Conduct is part of the onboarding process for new employees. Every year, existing non-frontline staff are required to complete the Code of Conduct learning programme and pass the post-training exam. It is a standard practice to conduct awareness campaigns to educate employees on appropriate behaviour in the workplace and ways to express concerns.

Any incident that results in violation of this code can be reported by employees through [code@ltps.com](mailto:code@ltps.com) to convey their concerns/issues.

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

	FY 2024-25 Current financial year			FY 2023-24 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*	10	1	-	1	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

\*There are no cases pending as on the date of the Report.

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2024-25 Current financial year	FY 2023-24 Previous financial year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	10	1
Complaints on POSH as a % of female employees / workers	0.51	0.07
Complaints on POSH upheld	6	1

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

- a) Wecare@ltps.com is the dedicated email address that LTF has set up for employees to report incidents of sexual harassment. To protect the complainant's privacy and maintain confidentiality, the Internal Committee only has access to this email box. An external member serves on the Internal Committee to ensure fair assessment.
- b) In compliance with regulatory requirements, a Vigil Mechanism Framework is in place, not only ensuring a structured process for reporting issues without fear of retaliation but also protecting employees from unfair prejudicial employment practices.

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

Yes

**10. Assessments of the year**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	-

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

N.A. There have been no concerns arising from human rights requirements forming part of our Third-Party Code of Conduct. We have engaged with our value chain on ESG assessment including Human rights.

**Leadership Indicators****1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

No significant complaints were substantiated which required modification / introduction of business process.

**2. Details of the scope and coverage of any Human rights due-diligence conducted**

Human Rights assessment was carried out as part of the value chain assessment framework covering >75% of value chain partners of LTF (upstream and downstream) (cumulatively, comprising both purchases / sales by value).

**3. 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?**

Yes, of the major offices of the Company, head office at Mumbai and the branch located in Kolkata are PWD friendly. Major business of the Company is undertaken at field level or at offices of the dealers or through online mode.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	>75
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

As per the value chain assessment conducted in FY25, no corrective actions were taken. Additionally, the same principles, business ethics, and ESG standards that the Company promotes must be upheld by all of LTF's value chain partners. A vital component of loan agreements and other value chain agreements is adherence to the Third-Party Code of Conduct.

**PRINCIPLE**

**6**

Businesses should respect and make efforts to protect and restore the environment

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
<b>From Renewable Sources</b>		
Total electricity consumption (A)	18,242.38 GJ	9,328.07 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
<b>Total energy consumption (A+B+C)</b>	<b>18,242.38 GJ</b>	<b>9,328.07 GJ</b>



Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
<b>From Non-Renewable Sources</b>		
Total electricity consumption (D)	9,506.46 GJ	14,784.08 GJ
Total fuel consumption (E)	1,053.32 GJ	870.38 GJ
Energy consumption through other sources (F)	<b>0</b>	<b>0</b>
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	10,559.78 GJ	15,654.46 GJ
<b>Total energy consumed (A+B+C+D+E+F)</b>	28,802.16 GJ	24,982.53 GJ
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/ Revenue from operations)	0.000000181	0.000000178
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	0.000003733	0.000003982
<b>Energy intensity in terms of physical output</b>	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	0.79 GJ/FTE	0.82 GJ/FTE

**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.**

Yes, Assurance by BDO India Limited Liability Partnership

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 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water (Municipal water supplies)	4,55,914.44	3,41,077
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	4,55,914.44	3,41,077
<b>Total volume of water consumption (in kilolitres)</b>	4,55,914.44	3,41,077

Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
<b>Water intensity per rupee of turnover</b> (Total Water consumption / Revenue from operations)	0.00000286	0.00000242
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	0.00005909	0.00005435
<b>Water intensity in terms of physical output</b>	-	-
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	12.48	11.17

**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.

Yes, Assurance by BDO India Limited Liability Partnership

**4. Provide the following details related to water discharged:**

N.A. LTF's usage of water is essentially for domestic purposes like drinking and sanitation for employees and being a service sector company, no effluent discharge is involved in its business activity.

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

LTF revamped the STP installed at corporate office to reduce freshwater consumption and enhance recycling capacity of its wastewater. LTF uses the treated water for gardening purposes, and rest is directed to municipal sewers. Also, LTF has also carried out an internal assessment study of Zero-Liquid Discharge and has built a roadmap for pan India.

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

Parameter	Please specify unit	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
NOx	PPM	51.6	42.8
SOx	Mg/Nm <sup>3</sup>	41.2	35.1
Particulate matter (PM)	Mg/Nm <sup>3</sup>	64.4	58.2
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – Please specify	-	-	-

**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.

Yes, Assurance by BDO India Limited Liability Partnership



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

Parameter	Unit	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	386.23	405.47
<b>Total Scope 2 emissions*</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,909.16	2,312.25
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO <sub>2</sub> equivalent / Rs	0.000000014	0.000000019
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO <sub>2</sub> equivalent / Rs Revenue from operations adjusted for PPP	0.0000002975	0.000000433
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity	tCO <sub>2</sub> e/FTE	0.06	0.09

\*Scope 2 has been reported based on market-based approach in which green power consumption and green energy attributes i.e. iREC are considered.

**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.

Yes, Assurance by BDO India Limited Liability Partnership

**8. Does the entity have any project related to reducing Greenhouse Gas emission? If Yes, then provide details.**

Yes, the Company's decarbonisation plan is focused on energy-saving measures and switching to green power and green attributes wherever available and feasible. The Company consumes 33% of green power and green attributes in its operations. To help cut down on energy use, the Company has implemented a number of technical solutions. Implementation of Internet of Things (IOT) based energy management solutions, supporting RE projects through procuring green attributes, installing and using energy-efficient equipment, such as sensor-based lighting in offices, variable frequency drives (VFDs) for air handling units, LED lighting and energy-efficient 5-star air conditioners in offices, low GWP refrigerants like R32, an ATC system for chiller maintenance, replacing DG sets with inverters to lower carbon emissions and EV charging stations in corporate offices are a few of the initiatives undertaken by LTF. ~79% of all Maharashtra branches operate on green power. The Company has taken up the initiatives of tree plantation through its "Project Prakruti" to sequester carbon. The Company will continue to search for and evaluate novel methods of conserving carbon and reducing its carbon footprint in order to reach its carbon neutrality target.

The Company has diligently implemented ISO 14064-2:2019 standards to ensure that its plantation project's carbon sequestration measurements, monitoring processes, and subsequent reports adhere to international best practices. Through rigorous adherence to ISO 14064-2:2019 guidelines, LTF has established robust protocols for accurately quantifying and verifying carbon sequestration levels.

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

Parameter	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Total Waste generated (in metric tonnes)		
Plastic waste <b>(A)</b>	0	0
E-waste <b>(B)</b>	4.40	3.32
Bio-medical waste <b>(C)</b>	0	0
Construction and demolition waste <b>(D)</b>	18.48	0
Battery waste <b>(E)</b>	0.73	0
Radioactive waste <b>(F)</b>	0	0
Other Hazardous waste. Please specify, if any. <b>(G)</b>	0	0
Other Non-hazardous waste generated <b>(H)</b> . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	242.47	59.66
<b>Total (A+B + C + D + E + F + G + H)</b>	266.08	62.98
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	0.0000000017	0.0000000004
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000345	0.000000010
<b>Waste intensity in terms of physical output</b>	-	-
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	0.007	0.00206
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	50.86	16.96
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>50.86</b>	<b>16.96</b>
Intensity (Kg of Waste Recycled Recovered / Total Waste Generated)	0.19	0.27
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0	0
(ii) Landfilling	215.22	46.02
(iii) Other disposal operations	0	0
<b>Total</b>	<b>215.22</b>	<b>46.02</b>
Intensity (Kg / MT of Waste disposed / Total Waste generated)	0.81	0.73

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.

Yes, Assurance by BDO India Limited Liability Partnership



**10. 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.**

As an NBFC providing services, no poisonous or hazardous chemicals are produced throughout the production process. Paper waste and e-waste are the two main types of waste produced by the Company operations. In particular, the Company manages all of its IT assets in accordance with the E-waste management and handling recommendations of 2011, 2016, and 2018. The Company's centralised e-waste management strategy, which is applicable to all LTF offices and branches, helps it collect and dispose of e-waste safely. The Company collects electronic waste and disposes of it with a registered recycler through regular corporate and zonal-level activities. This ensures that no electrical waste from the Company ends up in a landfill and is always recycled. The Company in FY25 segregated and recycled wet and dry waste generated at its corporate office and other branch in Mumbai, through an external authorised vendor. This has reduced the amount of waste to landfill.

Regarding waste paper, the Company has made several attempts to cut back on paper usage. Its drive to digitalise its operations has resulted in a notable decrease in paper consumption. The Company has reduced its desktop stationary as a result of its ongoing initiatives.

**11. 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:**

N.A. None of our owned offices fall under ecologically sensitive areas.

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

LTF operates out of leased premises except its Head Office and the nature of business does not warrant Environmental Impact assessment.

**13. 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:**

N.A. The Company is in compliance with all applicable laws as per mandatory requirements.



## Leadership Indicators

### 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area:

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

N.A. All the branches of the Company are located in residential/commercial areas.

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.

### 2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current financial year)	FY 2023-24 (Previous financial year)
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	49,140.00*	6,698.35
<b>Total Scope 3 emissions per rupee of turnover</b>	tCO <sub>2</sub> e/₹	0.00000031	0.0000000477
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	tCO <sub>2</sub> e/FTE	1.35	0.22

\* Increase in Scope 3 emissions is due to increased capturing and reporting of additional scope 3 categories (Category 1,3,5,7)

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.

Yes, Assurance by BDO India Limited Liability Partnership

### 3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

N.A.

### 4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Energy Audits and Assessment	Top 50 branches (Top 10 energy audits and rest 40 branches energy assessment)	Initiative has helped in identifying energy and cost saving opportunities and pave the way for implementing energy-saving measures effectively.
2	Green Power	Implemented at head office and 25 others branches across Maharashtra, Telangana and Tamil Nadu	Reduction in use of carbon intensity, conventional power and reducing carbon footprint



S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
3	Replacement of conventional lighting with LEDs	Implemented across all offices	Reduction in energy consumption
4	Energy efficient ACs	Implemented at head office and all new branches. Phasing out of old low energy rated ACs	Reduction in energy consumption
5	Automatic Tube Cleaning System	Installed at head office	Avoid continuous running of pump resulting in power saving, Eliminated accumulation, residue, and foulant instead of using toxic materials
6	Recycled Paper Reams	Pan India - LTF uses recycled papers for printing documents	Using recycled paper reduces the need to cut down trees, protecting natural resources. Recycling paper decreases air pollution from combustion and frees up landfill space.
7	Energy saving solutions based on Internet of Things (IOT)	Installed across 7 Branches	Using IOT based solutions, energy consumption is optimised thus resulting into energy saving
8	Revamped STP	Installed at head office	Reduction in freshwater consumption and enhanced recycling capacity of wastewater
9	Strengthen Waste Segregation and Recycling	Carried out at head office	Strengthened segregation and recycling through tie-ups with waste segregators and recyclers in addition to the existing of e-waste recycling process

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

Yes. LTF has established a comprehensive Business Continuity Plan (BCP) and Disaster Recovery (DR) strategy to ensure the continuous availability of business applications and services.

To proactively manage risks and prevent disruptions, regular risk and gap assessments and audits are conducted across Data centres, IT infrastructure, Business application, and third-party integrations. Additionally, a Business Impact Analysis (BIA) is performed to evaluate critical applications, systems and their dependencies.

LTF digital platform is designed with a multi-layered, 3-tier security architecture featuring built-in disaster recovery capabilities and robust defence mechanisms against cyber threats.

These measures collectively reinforce business continuity and minimize downtime and services disruptions, ensuring operational stability. LTF is an ISO27001 certified company.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant adverse impacts have been identified from the value chain of the entity.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

>75%. LTF has finalised a Value Chain ESG Assessment framework and rolled out the assessment covering >75% of value chain partners of LTF (upstream and downstream) (cumulatively, comprising both purchases / sales by value).

**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.** 5
- b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such a 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	NBFC Committee, FICCI	National
2	Confederation of Indian Industry	National
3	Microfinance Institutions Network	National
4	Finance Industry Development Council	National
5	CII WR Sub- Committee on Business Responsibility	State

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.**

N.A.





## Leadership Indicators

### 1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1	<p>The Company has actively engaged in public policy advocacy, making several representations to various authorities regarding the practical challenges faced in implementing regulatory requirements. Additionally, we have made proactive suggestions to improve these frameworks.</p> <p>We promote robust corporate governance standards, emphasizing transparency and accountability. We have made representations to regulatory bodies about the challenges in meeting extensive reporting requirements and have suggested streamlined reporting frameworks that reduce administrative burdens while maintaining transparency. Through direct engagement with regulatory bodies, participation in industry associations, and collaboration with other stakeholders, we strive to drive policy changes that uphold high standards while considering the practicalities of implementation for businesses.</p> <p>This not only addresses the practical challenges but also highlights the proactive steps the Company has taken to suggest improvements, demonstrating a forward-thinking and collaborative approach to public policy advocacy.</p>	<p>As a proactive measure, the Company provides various suggestions / proposals along with the necessary rationale to the regulators on various consultation papers issued from time to time prior to them becoming effective in the form of a statute. An update on the representations made to the regulatory authorities is placed before the Board along with other regulatory changes that currently impact / would impact the Company along with necessary synopsis.</p>	No	As and when needed	-

## PRINCIPLE

### 8

Businesses should promote inclusive growth and equitable development

#### Essential Indicators

- 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
Digital Sakhi Project, East Medinipur. - Interventions of Digital Financial Literacy and Entrepreneurship Development by 450 Digital Sakhi(s) and 1,000 women entrepreneurs in the digital space	SIA/01/2024-25	29-Apr-24	Yes	Yes	<a href="https://www.ltfinance.com/">https://www.ltfinance.com/</a>
Digital Sakhi Project, Odisha - Interventions of Digital Financial Literacy and Entrepreneurship Development by 100 Digital Sakhi(s) and 1,000 women entrepreneurs in the digital space	SIA/01/2024-25	29-Apr-24	Yes	Yes	<a href="https://www.ltfinance.com/">https://www.ltfinance.com/</a>

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

N.A. LTF is a Non-banking Financial Company (NBFC) and provides financial services. It operates out of leased premises except its head office and the nature of business does not warrant Rehabilitation and Resettlement (R&R).

- Describe the mechanisms to receive and redress grievances of the community.**

LTF has taken steps to ensure that its CSR projects are conducted in a responsible and transparent manner, and that community members and stakeholders have the opportunity to participate in the process. Developing a grievance redressal system illustrates the Company's commitment to accountability and transparency when it comes to dealing with any concerns or complaints regarding CSR projects / programs.

In FY25, LTF strengthened the mechanisms for transparency by introducing a Dedicated Grievance Redressal Officers (GROs), who continuously work to ensure that complaints are handled independently, and without bias.

Also, there are Community Advisory Panels (CAPs), that are now active in all projects that have been running for over two years, and are held in quarterly meetings to gather and address feedback. In addition to this, continuous monitoring and evaluation is undertaken by conducting monthly online reviews, facilitated by dynamic discussions with NGO partners, enabling proactive decision making and monitoring of project progress. Also, on-site field visits are conducted which provides firsthand insights into the project implementation, helping addressing and identifying potential challenges swiftly.

It further demonstrates the Company's commitment to improving its CSR practices and maintaining positive relationships with stakeholders. Concerns or questions regarding the CSR programme(s) are required to be addressed to [csr@lts.com](mailto:csr@lts.com).



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

	FY 2024-25 Current financial year	FY 2023-24 Previous financial year
Directly sourced from MSMEs/ small producers	18.22	15.56
Sourced directly from within the district and neighboring districts	99.57	99.90

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2024-25 Current financial year (%)	FY 2023-24 Previous financial year (%)
Rural	57.63	53.01
Semi-urban	5.36	4.85
Urban	8.30	8.82
Metropolitan	28.71	33.32

Bifurcation as per Database On Indian Economy, RBI's Data Warehouse <https://dbieold.rbi.org.in/>

### 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
No significant impact	N.A.

LTF is a Non-banking Financial Company (NBFC) and provides financial services. Social Impact Assessments are carried out for our CSR projects which have positive social and environmental impacts.

**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 ₹)
1	-	-	-

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No. But we have adopted a Sustainable Procurement policy.

**(b) From which marginalized /vulnerable groups do you procure?**

N.A.

**(c) What percentage of total procurement (by value) does it constitute?**

N.A.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

N.A. No intellectual properties acquired on traditional knowledge

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

N.A.

**6. Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Digital Sakhi North Karnataka	2,52,460	80
2	Digital Sakhi South Karnataka	1,87,518	80
3	Digital Sakhi Kerala	1,42,681	76
4	Digital Sakhi Tamil Nadu (Madurai)	1,34,049	97
5	Digital Sakhi Uttar Pradesh (Gorakhpur)	1,27,800	76
6	Digital Sakhi Bihar (Supaul)	1,24,100	80
7	Digital Sakhi WB (Murshidabad)	1,21,144	38
8	Digital Sakhi Uttar Pradesh (Kushinagar)	1,13,234	76
9	Digital Sakhi Bihar (Saharsha)	1,07,536	80
10	Digital Sakhi Rajasthan	1,13,477	79
11	Project Prakruti	204	80
12	Road Safety Awareness	119,978	46
13	Disaster Relief	133,000	76
14	Health camps	2,196	100
15	Jalvaibhav	14,222	80
<b>Total</b>		<b>16,93,599</b>	-

**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.**

Customer complaints are addressed through a variety of multi-layered grievance redressal processes that are hosted on platforms like emails, phones, websites, and the Planet App. A CRM system is used to record and handle each and every complaint that comes in through various channels. A Grievance Redressal Officer (GRO) is employed by the Company. In accordance with RBI regulations, an internal ombudsman has also been appointed to handle client concerns.

For more details, please refer to the Social and Relationship Capital on customer grievances mechanism of the Report

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

N.A. LTF is a Non-banking Financial Company (NBFC) and provides financial services. We do not manufacture any product or have a service that can carry information about the question.



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

	FY 2024-25 (Current financial year)		Remarks	FY 2023-24 (Previous financial year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security (Digital Complaints)	0	0	-	0	0	-
Delivery of essential services	16,794	773*	-	27,494	767	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

\*As on date of the issue of the Report, the pending case has been closed

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

N.A. LTF is a Non-banking Financial Company (NBFC) and provides financial services. We do not manufacture any product which needs to be recalled voluntarily.

#### 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. Please refer the section Policy Compendium for accessing the policy.

#### 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.

The Company has taken the following initiatives to improve customer experience and satisfaction in order to solve the main issues:

- Automatically categorising issue categories under "High priority" that are designated as "complaints," and placing the rest interactions under "High" and "Medium" categories based on the case origin
- The customer grievance acknowledgement procedure has been redesigned, and the complaint closure SMS has been benchmarked and updated.
- Awareness to customers on cyber frauds
- Governance controls are in place to correct gaps and prevent future problems, and a framework for reviewing the primary complaints' root causes has been implemented.
- Creation of a specialised Central Resolution Team to handle customer complaints only
- Implementation of a thorough Quality Control mechanism to increase resolution efficiency
- Auditing and training external partners and internal stakeholders
- Implementation of system-based controls in the CRM that prevent the closure of any unresolved complaints
- Complete redesign of workflows for the top complaints
- Net Promoter Score (NPS) to capture customer satisfaction

- LTF has appointed an Internal Ombudsman (IO), an independent person. Complaints received from the customers which were wholly or partly rejected by the organisation are referred to the IO for review as per RBI guidelines. The IO upheld these cases which had factual evidence validating company decision

**7. Provide the following information relating to data breaches: No data breaches as on H1 FY25**

- Number of instances of data breaches-** 0
- Percentage of data breaches involving personally identifiable information of Customers-** 0
- Impact, if any, of the data breaches-** N.A.

### Leadership Indicators

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

Information about LTF's products and services are available on its website. (<https://www.ltfinance.com/>)

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

LTF has implemented robust systems to ensure that customers always have access to all available information on its products and services. Additionally, your Company has developed the customer awareness training module, which is available on its website (<https://www.ltfinance.com/>) and covers topics like, customer advisory, interest rate model, gradation of risk, schedule of charges, Prime Lending Rates (PLR), the ombudsman scheme, the self-help option, the list of terminated service providers, and the process. Customer education blogs are also available on the website.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Yes. Through SMS, What's App and PLANET App

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes. To empower and assist clients to make wise financial decisions, the Company proactively launches educational activities. The Company has mechanisms in place to guarantee that all clients are always given enough information about all products. For the benefit of its clients, the Company created a customer awareness training module and made it publicly accessible on its website ([www.ltfinance.com](http://www.ltfinance.com)). LTF ran a variety of social media efforts for customer awareness and sensitisation during the year. These contain, among other things, articles on financial literacy, driving safety, health, and environmental preservation. Blogs on various customer education topics are also made available on the website.

LTF undertook its maiden Net Promoter Score (NPS) initiative in FY24, to gauge customer loyalty and satisfaction across all its products during the customer onboarding journey. Incrementally, LTF has successfully deployed and measured Net Promoter Score (NPS) for customer interactions with various touch points in FY25.



BDO India LLP  
Magnum Global Park, Floor-21  
Archview Drive, Golf Course Ext Road  
Sector-58, Gurgaon-122011  
Haryana INDIA

## Independent Assurance Statement

To

The Board of Directors  
L&T Finance Limited,  
6th Floor, Brindavan, Plot No. 177, C.S.T Road,  
Kalina, Santacruz (East), Mumbai - 400 098.

**Independent Assurance Statement on Business Responsibility and Sustainability Report (BRSR) disclosures and Integrated Annual Report (IAR) for the financial year 2024-25.**

### Introduction and objective of engagement

L&T Finance Limited (the 'Company') has developed its Business Responsibility and Sustainability Report ('BRSR') including the BRSR Core Indicators<sup>1</sup>, based on the BRSR reporting guidelines prescribed by SEBI for listed entities. The reporting criteria have been derived from the Principles of National Guidelines on Responsible Business Conduct, 2018 (NGRBC), and Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard. The Company has also developed its Integrated Annual Report 2024-25 ('IAR') based on the principles of the Integrated Reporting (<IR>) Framework published by the International Integrated Reporting Council (IIRC). The BRSR is a part of the IAR.

BDO India LLP (BDO) was engaged by the Company to provide independent assurance on select non-financial sustainability disclosures in the IAR including BRSR (the 'Report') for the period 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025.

### The Company's responsibilities

The content of the Report and its presentation are the sole responsibilities of the Management of the Company. The Company's Management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement.

### BDO's responsibility

BDO's responsibility, as agreed with the Management of the Company, is to provide assurance on the BRSR Core Indicators, select non-core indicators and those of IAR as described in the 'Scope & boundary of assurance' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organization. Any reliance a third party may place on the Report is entirely at its own risk.

### Assurance standard and criteria

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", and ISAE 3410, "Assurance Engagements on Greenhouse Gas Statement", issued by the International Auditing and Standards Board.

We applied the criteria of 'Reasonable' Assurance for non-financial Core Indicators of BRSR (Business Responsibility & Sustainability Report), and criteria of 'Limited' Assurance for select non-financial information of the Integrated Annual Report (IAR) and select non-Core indicators of BRSR.

### Scope & boundary of assurance

We have assured BRSR Core Indicators<sup>1</sup>, selected BRSR Non-core Indicators and selected Integrated Annual Report sustainability indicators (as set out under Appendix 1 to this statement), pertaining to the Company's non-financial performance for the period 1st April 2024 through 31st March 2025.

The reporting scope and boundary cover the Company's operations.

### Assurance methodology

Our assurance process entailed conducting procedures to gather evidence regarding the reliability of the disclosures covered in the assurance scope. The physical verification on a sample basis was carried out at the following locations:

- Corporate Office, Mumbai;
- Branch Office, Mahape;
- Branch Office, Goregaon;
- Branch Office, Belapur.

We used our professional judgement as Assurance Provider for selection of samples of the Company's locations/facilities and non-financial information for the verifications.

<sup>1</sup> SEBI vide Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023

We conducted a review and verification of data collection, collation, and calculation methodologies, and a general review of the logic of inclusion/omission of relevant information/data in the Report. Our review process included:

- Evaluate and assess the appropriateness of the quantification methods used to arrive at the non-financial/sustainability information of the BRSR Core Indicators select non-core indicators and selected IAR indicators;
- Review of consistency of data/information within the Report as well as between the Report and source;
- Engagement through discussions with personnel at both corporate and plant/facility levels who are accountable for the data and information presented in the Report;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of data collection and management procedures, and related internal controls.

#### Limitations & exclusions

There are inherent limitations in assurance engagement, including, for example, the use of judgment and selective testing of data. Accordingly, there are possibilities that material misstatements in the sustainability information of the Report may remain undetected.

The assurance scope specifically excludes:

- Data and information outside the defined reporting period (1st April 2024 to 31st March 2025);
- Review of the 'economic and/or financial performance indicators' included in the Report or on which reporting is based; specifically, some of the financial indicators and intensity metrics of BRSR are derived using Company's audited financial information, and we relied on such audited records shared to us by the Company;
- Verification of carbon sequestration from plantation; the data from third-party assessment report shared by the Company was used for review;
- The Company's statements and claims related to any topics other than those listed in the 'Scope and boundary of assurance';
- The Company's statements that describe qualitative/quantitative assertions, expression of opinion, belief, inference, aspiration, expectation, aim or future intention.

#### Our observations

Based on our review of the Report, we observed that the disclosures of the Company, covered under the 'Scope and boundary of assurance', are fairly reliable.

#### Our conclusions

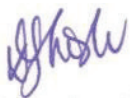
Based on the scope of our review, we concluded the following:

- Reasonable Assurance of BRSR Core indicators: The disclosures of the BRSR Core indicators as mentioned in 'Scope and boundary of assurance' reasonably fulfil the criteria of relevance, completeness, reliability, neutrality, and understandability as per 'reasonable' assurance criteria;
- Limited Assurance of selected indicators for BRSR (other than core) and IAR: Based on the procedures performed, nothing has come to our attention that causes us not to believe that the non-financial disclosures of the Company are presented fairly, in all material respects, in accordance with the relevant reporting guidelines/standards.

#### Our assurance team and independence

BDO India LLP is a professional services firm providing services in Advisory, Assurance, Tax, and Business Advisory Services, to both domestic and international organizations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organization. This team is comprised of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems, and processes across sectors and geographies. As an assurance provider, BDO India LLP is required to comply with the independence requirements set out in the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For BDO India LLP



Dipankar Ghosh  
Partner | Sustainability & ESG  
Business Advisory Services  
Gurugram, Haryana  
30 April 2025



## Appendix 1

The indicators considered for assurance in this engagement, based on GRI Standard, BRSR Framework and Company's Internal Criteria, are listed below.

## A. BRSR Core Indicators

Sr. No.	Principle/ Indicator/ Reference	Attribute	Parameter
1	Principle 6-E7	Green-house gas (GHG) footprint	<ol style="list-style-type: none"> <li>1. Total scope 1 emissions</li> <li>2. Total scope 2 emissions</li> <li>3. GHG emission Intensity (Scope 1 + 2):               <ol style="list-style-type: none"> <li>a) Total Scope 1 and Scope 2 emissions per rupee of turnover</li> <li>b) Total Scope 1 and Scope 2 emission per rupee of turnover adjusted for Purchasing Power Parity (PPP)</li> <li>c) Total Scope 1 and Scope 2 emission intensity in terms of physical output</li> </ol> </li> </ol>
2	Principle 6-E3 Principle 6-E4	Water footprint	<ol style="list-style-type: none"> <li>1. Total water withdrawn</li> <li>2. Total volume of water consumption</li> <li>3. Water consumption intensity:               <ol style="list-style-type: none"> <li>a) Water consumption per rupee of turnover</li> <li>b) Water consumption per rupee of turnover adjusted for Purchasing Power Parity (PPP)</li> <li>c) Water intensity in terms of physical output</li> </ol> </li> <li>4. Water Discharge by destination and levels of Treatment</li> </ol>
3	Principle 6-E1	Energy footprint	<ol style="list-style-type: none"> <li>1. Total energy consumed</li> <li>2. % of energy consumed from renewable sources</li> <li>3. Energy intensity:               <ol style="list-style-type: none"> <li>a) Energy consumed per rupee of turnover</li> <li>b) Energy consumed per rupee of turnover adjusted for Purchasing Power Parity (PPP)</li> <li>c) Energy intensity in terms of physical output</li> </ol> </li> </ol>
4	Principle 6 - E9	Embracing circularity- details related to waste management by the entity	<ol style="list-style-type: none"> <li>1. Total waste generated</li> <li>2. Waste generated intensity:               <ol style="list-style-type: none"> <li>a) Waste generated per rupee of turnover</li> <li>b) Waste generated per rupee of turnover adjusted for Purchasing Power Parity (PPP)</li> <li>c) Waste intensity in terms of physical output</li> </ol> </li> <li>3. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations</li> <li>4. For each category of waste generated, total waste disposed by nature of disposal method</li> </ol>
5	Principle 3 - E1(C) Principle 3 - E11	Enhancing employee wellbeing and Safety	<ol style="list-style-type: none"> <li>1. Spending on measures towards well- being of employees and workers- cost incurred as a % of total revenue of the company.</li> <li>2. Details of safety related incidents for employees and workers               <ol style="list-style-type: none"> <li>a) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)</li> <li>b) Total recordable work-related injuries</li> <li>c) No. of fatalities</li> <li>d) High consequence work-related injury or ill-health (excluding fatalities)</li> </ol> </li> </ol>
6	Principle 5 - E3(b) Principle 5 - E7	Enabling Gender Diversity in Business	<ol style="list-style-type: none"> <li>1. Gross wages paid to females as a % of total wages paid</li> <li>2. Complaints on POSH               <ol style="list-style-type: none"> <li>a) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)</li> <li>b) Complaints on POSH as a % of female employees / workers</li> <li>c) Complaints on POSH upheld</li> </ol> </li> </ol>
7	Principle 8 - E4 Principle 8 - E5	Enabling Inclusive Development	<ol style="list-style-type: none"> <li>1. Input material sourced from following sources as % of total purchases Directly sourced from MSMEs/ small producers and directly from within India</li> <li>2. Job creation in smaller towns- wages paid to people employed in smaller towns (permanent or non-permanent/on contract) as % of total wage cost</li> </ol>
8	Principle 9 - E7 Principle 1 - E8	Fairness in Engaging with Customers and Suppliers	<ol style="list-style-type: none"> <li>1. Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events</li> <li>2. Number of days of accounts payable</li> </ol>
9	Principle 1 - E9	Open-ness of business	<ol style="list-style-type: none"> <li>1. Concentration of purchases &amp; sales done with trading houses, dealers, and related parties               <ol style="list-style-type: none"> <li>a) Purchases from trading houses as % of total purchases</li> <li>b) Number of trading houses where purchases are made from</li> <li>c) Purchases from top 10 trading houses as % of total purchases from trading houses</li> <li>d) Sales to dealers / distributors as % of total sales</li> <li>e) Number of dealers / distributors to whom sales are made</li> <li>f) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors</li> </ol> </li> </ol>

			2. Loans and advances & investments with related parties Share of RPTs (as respective %age) in: a) Purchases b) Sales c) Loans & advances d) Investments
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**B. BRSR Non-Core Indicators**

Sr. No.	Principle Reference	Attribute	Indicator Description
1	Principle 1 - E1	Percentage coverage by training and awareness programmes on any of the principles during the financial year	1. BOD 2. KMP 3. Employees other than BoD and KMP 4. Workers
2	Principle 2 - E2	Sustainable Sourcing	1. Does the entity have procedures in place for sustainable sourcing? (Yes/No) 2. If yes, what percentage of inputs were sourced sustainably?
3	Principle 3- E8	Training given to employees and workers.	1. On Health and safety measures 2. On Skill upgradation
4	Principle 3- E9	Performance and career development reviews of employees and worker	1. Male 2. Female
5	Principle 5- E1	Training on human rights.	1. Training for permanent employees 2. Training for non-permanent employees
6	Principle 5- E2	Minimum wages paid to employees	1. Equal to minimum wage 2. More than minimum wage
7	Principle 5- E3 (a)	Median remuneration / wages	1. BOD 2. KMP 3. Employees other than BoD and KMP 4. Workers

**C. GRI Indicators**

Sr. No.	Indicator Reference	Indicator Description
1	2-7	Employees
2	3-1	Process to determine material topics
3	302-1	Energy consumption within the organization
4	303-5	Water consumption
5	305-1	Direct (Scope 1) GHG emissions
6	305-2	Energy indirect (Scope 2) GHG emissions
7	305-3	Other indirect (Scope 3) GHG emissions Specific Categories: Category 1: Purchased goods and services Category 2: Capital Goods Category 3: Fuel- and Energy-Related Activities Category 5: Waste Generated in Operations Category 6: Business travel Category 7: Employee Commute Category 8: Upstream leased assets
8	306-3	Waste generated
9	306-4	Waste diverted from disposal
10	306-5	Waste directed to disposal
11	401-1	New employee hires and employee turnover
12	401-3	Parental leaves
13	404-1	Average learning hours per year per employee
14	405-1	Diversity of governance bodies and employees
15	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions

**D. Internally defined management criteria**

Sr. No.	Indicator title	Indicator Description
1	Responsible lending	Responsible lending to women entrepreneurs (no. of active women borrowers who received micro loans)
2	Water Replenishment	Water Replenishment considering storage capacity and type of soil of water structure and run off days calculated using SCS-CN (soil curve number) method
3	Carbon Sequestration	Carbon sequestration calculation basis guidance in clean Development Mechanism (CDM) A/R (Afforestation/reforestation) methodology

Notes:

1. For BRSR indicators, "E" denotes Essential Indicators and "L" denotes Leadership Indicators.