



Date: June 26, 2024

To,

**BSE Limited**  
Corporate Relationship Department,  
2nd Floor, New Trading Wing,  
Rotunda Building,  
P.J. Towers, Dalal Street, Mumbai 400 001

**National Stock Exchange of India Limited**  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (E),  
Mumbai 400 051

**Scrip Code: 544055**

**Scrip Code: MUTHOOTMF**

Dear Madam/Sir,

**Sub: Submission of Business Responsibility and Sustainability Report for the Financial Year 2023-24**

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Business Responsibility and Sustainability Report for Financial Year 2023- 24, which also forms part of the Annual Report for FY 2023- 24, submitted to the Exchanges.

We request you to kindly take the above information on record.

Thanking you,

Yours faithfully,  
For **Muthoot Microfin Limited**

**Neethu Ajay**  
**Chief Compliance Officer and Company Secretary**  
Membership No. A34822

**MUTHOOT MICROFIN LIMITED**  
CIN:L65190MH1992PLC066228

Regd. Office: 13 <sup>th</sup>Floor, Parinee Crescenzo, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051  
Administrative: Office 5th Floor, Muthoot Towers, M G Road, Kochi, Kerala - 682035, Tel: +91 -484-4277500, +91-484-4300127, F: +91-484-4300127 E: info@muthootmicrofin.com  
[www.muthootmicrofin.com](http://www.muthootmicrofin.com)

## ANNEXURE - IV

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

### SECTION A : GENERAL DISCLOSURES

#### I. Details of the listed entity

S. No	Required Information	
1	Corporate Identity Number (CIN) of the Listed Entity	L65190MH1992PLC066228
2	Name of the Listed Entity	Muthoot Microfin Limited
3	Year of incorporation	1992
4	Registered office address	13th Floor, Parinee Crescenzo, Bandra Kurla Complex, Bandra East, Mumbai 400051
5	Corporate address	5th Floor, Muthoot Towers, M.G Road, Kochi 682035
6	E-mail	<a href="mailto:info@muthootmicrofin.com">info@muthootmicrofin.com</a>
7	Telephone	+91 4844277500
8	Website	<a href="https://muthootmicrofin.com/">https://muthootmicrofin.com/</a>
9	Financial year for which reporting is being done	2023-2024
10	Name of the Stock Exchange(s) where shares are listed	BSE, NSE
11	Paid-up Capital	1704921760
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ammaar Mohammad, AVP-Investor Relations & ESG <a href="mailto:ammaar@muthootmicrofin.com">ammaar@muthootmicrofin.com</a> +91 9899088588
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).	The disclosures are on standalone basis
14	Name of Assurance Provider	No Assurance conducted (As the Company does not fall under top 150 listed entities)
15	Type of Assurance obtained	No Assurance conducted (As the Company does not fall under top 150 listed entities)

#### II. Products / Services

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

S. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Microfinance	Providing financial assistance through micro loans such as income generating loans to women engaged in small businesses	94%

17 Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No	Product / Service	NIC Code	% of total Turnover contributed
1	Microfinance and related matters	64990	94%

#### III. Operations

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

Location	Number of plants	Number of offices	Total
National	1508	1 Head office and 26 Regional Office	1535
International	NA	NA	NA

## 19 Market Served by the entity:

## a. Number of locations

Locations	Number
National (No. of States)	19
International (No. of Countries)	NA

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

Not Applicable

## c. A brief on type of customers

The company is focused on providing micro-loans to women entrepreneurs with a focus on rural regions of India

**IV. Employees**

## 20 Details as at the end of Financial Year:

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

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
<b>Employees</b>						
1	Permanent (D)	6204	5984	96.5%	220	3.5%
2	Other than Permanent (E)	7662	7354	96.0%	308	4.0%
3	Total employees (D+E)	13866	13338	96.2%	528	3.8%

## b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
<b>Differently Abled Employees</b>						
1	Permanent (D)	0	0	0	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently abled employees (D+E)	0	0	0	0	0

## 21 Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No.(B)	% (B/A)
Board of Directors	10	2	20%
Key Management Personnel	3	1	33.33%

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

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.80%	0.99%	23.79%	25.85%	1.10%	26.95%	34.40%	1.02%	35.42%

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

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

S. 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	Muthoot Fincorp Limited	Holding	50.21%	No

## VI. CSR Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover (in ₹)

22,70,17,96,499.30

(iii) Net worth (in ₹)

28,04,35,25,169.83

## VII. Transparency and Disclosure Compliances

25 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 2023-24 (Current Financial Year)			FY 2022-23 (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
The list of the stakeholders							
Communities	YES	NIL	NIL	NIL	NIL	NIL	NIL
Investors (other than shareholders)	<a href="https://muthootmicrofin.com/disclosures/">https://muthootmicrofin.com/disclosures/</a>	903	0	NIL	NIL	NIL	NIL
Shareholders		NIL	NIL	NIL	NIL	NIL	NIL
Employees		229	NIL	NIL	290	NIL	NIL
Customers		640	13	NIL	433	5	NIL
Value Chain Partners		NIL	NIL	NIL	NIL	NIL	NIL
Other (Total)		NIL	NIL	NIL	NIL	NIL	NIL

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Digitization -Innovation	Opportunity	Muthoot Microfin Limited (MML) takes advantage of every possibility that comes with the latest developments for digital financial services solutions, such as disbursement and collections, in order to facilitate easiness in operational processes, data security and to enhance productivity.	-	<b>Positive</b> Digitization could help MML in automating the procedure, minimizing expenses, improving accuracy, and guaranteeing timely processing. In the end, this will increase data security and productivity, which will raise profitability.
2	Financial Inclusion	Opportunity	We have a mission "To become the most innovative and successful financial institution serving the life cycle needs of the underserved," MML- A microfinance organization with operations in 19 states and UT, assists the more underprivileged and underserved segments of society and has played a significant role in advancing financial inclusion in India.  The term "microfinance," for MML, refers to incredibly small loans given to self-sufficient women in rural and semi-urban areas with the intention of raising their standard of living.	-	Positive Growth potential can be unlocked by offering creative, customer-focused financial services and products to female entrepreneurs who do not have access to the formal banking system.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Lending Practices	Opportunity	The independent credit underwriting vertical evaluates household-level income and obligations at the Credit Bureau information level in addition to historical data and repayment patterns with MML and other FIs. Meeting in person before approving the borrower's loan helps to evaluate the applicant's eligibility, ascertain the loan amount, and minimise the reliance on unofficial data only for assessment and it helps to limit delinquency.	-	<b>Positive</b>  With well-defined policies, procedures, and processes in place, MML adheres to stringent loan eligibility requirements that give top priority to evaluations of household income, expenses, FOIR, Credit Bureau data, repayment patterns, and the applicant's creditworthiness. By adhering to the credit underwriting framework, a comprehensive evaluation of borrowers is conducted at the household level. Eligibility is then fixed based on risk-based scoring, it helps for maintaining improved portfolio quality.
4	Human Capital Management	Risk and Opportunity	<b>Risk:</b> Challenges in retaining employees causes difficulties in attaining business objectives, lesser productivity, maintaining quality portfolio.  <b>Opportunity:</b> Performance can be improved by implementing effective practices such as providing opportunities for learning and growth, paying the competitive wages in the sector, guaranteeing a better work-life balance, providing chances to develop talent and skills, and creating a clear succession plan.  This will encourage them to offer their best effort, which will boost productivity, lower employee churn, and change the organization's work culture.	In order to provide employees with a positive work environment and culture that enhances their experience and fosters employee loyalty, a strong system of personnel development and management is in place. This system allows employees to look forward to the next level of career growth opportunities.	<b>Negative</b>  Not maintaining human resource for long term may lead to lesser productivity, increased recruitment cost, and lesser business achievements.  <b>Positive</b>  Improving employee values through growth opportunities for learning will result in higher retention rates, which will support sustained corporate expansion.
5	Data Security Risk	Risk	The presence of adequate and proven data security measures strengthens the dependability and confidence that stakeholders, investors, banks, financial institutions, regulatory and statutory agencies, and customers have in the IT system, processes, procedures, reports, and management.	Classifying data based on criticality, Antivirus, Encryption, application control, Penetration Testing, Anti Phishing, Malware monitoring, Firewall, Access Controls, IT Security Risk governance, IT Process/ Policies adherence, IT Audits, IS Audits, IT Security Risk Reporting etc with enhance data security	<b>Negative</b>  Any kind of data security failure results in regulatory oversight, a decline in investor, bank, financial institution, and customer trust, as well as money leakage and reputational harm.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Regulatory and Statutory Compliance	Risk	As part of improved governance, NBFCs are subject to an increase in regulatory reporting and compliance requirements in order to guarantee fair lending standards that align with banking standards and to gain over investors and clients.	Well defined processes, procedures, policies, frameworks and system controls ensure that there are no regulatory and statutory non-compliances arising. To ensure compliance with regulations and legal requirements, MML reviews its products, procedures, policies, and control mechanisms through internal and external assurance and self-evaluation tests as well as by Board committees.	<b>Negative</b> Non-Compliance of regulatory and statutory requirements will lead to financial and reputational risks.
7	Fraud Risk Management	Risk	The threat of fraud and monetary theft is highest for NBFC MFIs, which makes fraud risk management important. Fraud and deliberate misappropriation will cause loss of money, damage of company's reputation, and turn out investors, Customers and lenders.	Robust fraud risk management followed by in house internal audit and external internal Audit helps us to ensure conducting internal audit in regular intervals	<b>Negative</b> Non-Compliance of regulatory and statutory requirements will lead to financial and reputational risks.
8	Climate Change	Risk	Climate change raises potential risks that could disrupt the economy and have negative financial effects on financial institutions. Climate change-related uncertainty and severity pose an imminent risk to entities' resilience, safety of assets and human resources, and reputation and rising impairment cost.	A client can be protected against the financial impact of natural disasters such as floods, torrential rains, cyclones, heat waves, etc., with an insurance policy that covers damage to their home and appliances etc. Extending the revival support further will assist in reviving the clients' revenue-generating activities.	<b>Negative</b> The uncertainty and severity of climate change present an immediate risk to an entity's reputation, safety of assets and human resources, impair the value of assets held by customers and its resilience.
9	Risk Management - Enterprise Level	Opportunity	The enterprise-level risk management framework of a financial institution is vital and significant for all parties that benefit from the business, including clients and stakeholders. The risk management function is independent in its responsibilities and reports to the board's Risk Management Committee. MML is now engaged in the evaluation of environmental risks impacting the business directly.	-	<b>Positive</b> In particular, credit risk and operational risk are evaluated by the company, and all significant risks are reassessed on a regular basis to determine the efficacy of mitigation strategies and identify any gaps in them, if any, and to implement further control measures.
10	Corporate Governance and Ethics	Risk	Key governance elements like culture, such as owners, management, control, accounting, ethics, and transparency, are used to evaluate business and its values. Corporate governance assesses the impact of ethical behaviour and fair practices on stakeholders as well.	Implementing well-defined internal control mechanisms, excellent governance practices, prompt adherence to standards, transparency in all dealings, compliance, and an effective risk management system are the cornerstones of good corporate governance in MML.	<b>Negative</b> Wrong perceptions about corporate governance may have negative impacts on businesses.

**SECTION B : MANAGEMENT AND PROCESS DISCLOSURES**

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

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<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)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	<a href="https://muthootmicrofin.com/disclosures/">https://muthootmicrofin.com/disclosures/</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

4 Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

Great Place To Work institute has recognised Muthoot Microfin among India's top 50 Best Workplaces™ in Health and Wellness 2023.	P3: Employee wellbeing & engagement
Muthoot Microfin has been awarded 'Microfinance Company of the Year' at the ET Business Awards 2024, held at Bangalore on the 18 March 2024.	P9: Customer focus
Muthoot Microfin Limited has been certified as a Great Place To Work® for the fifth time by the Great Place To Work Institute.	P3: Employee wellbeing & engagement
Muthoot Microfin Limited has been awarded the Gold Level Certification for Client Protection by M-CRIL.	P4: Stakeholder engagement
Muthoot Microfin Limited has been conferred the Runner-Up Award for Outstanding Financial Performance at the ASSOCHAM 18th Annual Summit & Awards.	P8: Inclusive and equitable growth
Muthoot Microfin has been awarded the Best Learning Strategy – Gold award from Indian Business Council and The Human Resource Ideas & Voices Event (THRIVE) 2023.	P3: Employee wellbeing & engagement
Mr Sadaf Sayeed, CEO – Muthoot Microfin has been recognized among India's Top 10 CEOs by Trade flock.	P4: Stakeholder engagement
Muthoot Microfin has been honoured as a winner in the prestigious 'Modern and Agile Data Architecture and Infrastructure' category at The Economic Times Data Con Awards 2023.	P2: Product stewardship
Muthoot Microfin honoured with ELETS 2nd NBFC100 Leader of Excellence Award in Jury's Choice for Outstanding Technology Implementation.	P2: Product stewardship
Muthoot Microfin has been awarded as the 'Best Workplaces in BFSI' for the 2nd time.	P3: Employee wellbeing & engagement
Muthoot Microfin has adopted ISO 22301:2012 as the standard based on which the BCMS is designed, implemented and monitored.	P9: Customer focus
In addition, the above Standard, the select clauses of the control group 17 of ISO 27002:2013 relating to Information Security Aspects of Business continuity has also been adopted.	P9: Customer focus

5 Specific commitments, goals and targets set by the entity with defined timelines, if any.

The Company strives hard to positively impact the environmental social and governance aspects through its operations and societal interactions. The Company is committed to Financial Inclusion and Women Empowerment.

6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

The Company actively monitors the progress against the action plan to ensure complete compliance with the established norms.

### Governance, leadership and oversight

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

Over the past years, we have witnessed the transformative power of financial inclusion in the lives of individuals and communities across India. It gives me immense pride and joy that our commitment to providing access to finance to the unserved and underserved, fostering entrepreneurship among women and promoting sustainable livelihoods has yielded results in yet another financial year. Customer focus has been the core value for us throughout these years and maintaining high standards in customer service has been the key to our success in this fiscal as well. By leveraging technology, forging strategic collaborations, and nurturing a culture of responsible lending, we envisage to catalyse positive change through transforming lives and paving the way towards a more inclusive and equitable society.

- 8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Thomas Muthoot (DIN 00082099), Managing Director

- 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.

No. The board of directors, key managerial personnel and senior management of the Company monitor various aspects of ESG responsibilities of the Company continuously and make decisions at the appropriate levels.

- 10 Details of Review of NGRBCs by the Company:

Subject of 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					Yes														All the policies of the Company are reviewed periodically and on as when basis.
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances					Yes														All the policies of the Company are reviewed periodically and on as when basis.

- 11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency
- |    |    |    |    |    |    |    |    |    |
|----|----|----|----|----|----|----|----|----|
| P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|    |    |    |    | No |    |    |    |    |

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

Not Applicable

## 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	8	Cyber Security awareness, Regulatory Updates, Risk Management, ESG related refresher sessions, etc.	100%
Key Managerial Personnel	10	FinTech and Financial Inclusion – BIRD Mangalore, Financial Inclusion for NBFC-MFIs – CAB Pune, Enhancing Agri and Rural Credit Flow – BIRD Mangalore, Challenges of Managing Inclusive Finance in INDIA – Indian Institute of Management, Bangalore, Enabling strategic impact in the board room – London school of Business, UK, Prohibition of Insider Training, Leadership Training Session On Prevention Of Sexual Harassment	
Employees	673	We covered COC, CPP, FPC, ESG for all our staff during the Induction training programs.	100%

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 INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	BSE	10,000 + tax	There was one day delay on the intimation of the record date under Regulation 60(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations	No
Settlement				NIL	
Compounding fee				NIL	

**Non- Monetary**

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NIL

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

YES

<https://cdn.muthootfinance.com/sites/default/files/files/2024-04/anti-bribery-and-anti-corruption-policy-1.pdf>

- 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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

Particulars	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

- 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.

Not Applicable

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payable	Not Applicable	

(As Muthoot Microfin limited is operating in Financial sector cost of goods, procurement of services, trading houses, purchases are not relevant in this sector)

- 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 & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases		Not Applicable
	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		Not Applicable
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors		
Shares of RPTs in	a. Purchases (Purchases with related parties/ total purchases)		Not Applicable
	b. Sales (Sales to related parties/ total sales)		
	c. Loans & advances (Loans & advances given to related parties / total loans and advances)		
	d. Investments (Investments in related parties / total investments made)		
	Note: (The amount which is given is the cumulative balance not the transaction during the year)	₹ 0.45 Million	₹ 0.45 Million

**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
NA		

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. The company has a Code of Conduct for Board and senior management in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Directors and Senior Management Personnel of the Company should not enter into any transaction or engage in any practice, directly or indirectly, that would tend to influence him/her to act in any manner other than in the best interests of the Company.

**PRINCIPLE 2 :**

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

**Essential Indicators**

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

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R & D	Since we are into the business of offering financial services, elements related to R&D and CAPEX on Environment and		
Capex	Social aspects are not applicable to us		

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

We are now promoting solar inverters in our branches and have implemented solar inverters in 3% of our total branches. Solar inverters contribute to the reduction of greenhouse gas emissions by harnessing clean energy.

We have replaced 85% of laser printers in branches with inkjet printers. Inkjet printers typically generate less waste compared to traditional laser printers, as they often use cartridges that can be recycled or refilled, thus reducing landfill waste. We have also reduced our paper usage by 87%. The significant reduction in paper usage minimizes deforestation and reduces waste generation, leading to the conservation of natural resources.

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

3%

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)	Not Applicable
(b) E-waste	
(c) Hazardous waste	
(d) other waste.	

4 Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, Extended Producer Responsibility (EPR) is not applicable to the entity's activities.

## 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.
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Not applicable

- 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
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Not applicable

- 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 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year

Not applicable

- 4 Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not Applicable

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
---------------------------	---

Not applicable

### PRINCIPLE 3 :

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

## Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	5984	5984	100%	5984	100%	NA	NA	5984	100%	-	-
Female	220	220	100%	220	100%	220	100%	NA	NA	-	-
<b>Total</b>	<b>6204</b>	<b>6204</b>	<b>100%</b>	<b>6204</b>	<b>100%</b>	<b>220</b>	<b>100%</b>	<b>5984</b>	<b>100%</b>	-	-
<b>Other than Permanent employees</b>											
Male	7354	7354	100%	7354	100%	NA	NA	-	-	-	-
Female	308	308	100%	308	100%	-	-	NA	NA	-	-
<b>Total</b>	<b>7662</b>	<b>7662</b>	<b>100%</b>	<b>7662</b>	<b>100%</b>	-	-	-	-	-	-

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

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	19.63%	22.30%

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

Benefits	FY 2023-24			FY 2022-23		
	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	13862*	-	Y	10225**	-	Y
Gratuity	13866	-	Y	10227	-	Y
ESI	9790	-	Y	7369	-	Y
Others – Please specify	4*	-	-	2**	-	-

\*Note: (Out of total 13866 employees, 4 employees have not opted for EPF)

\*\*Note: (Out of total 10227 employees, 2 employees have not opted for EPF)

- 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

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

Yes

<https://muthootmicrofin.com/>

- 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	99% returned to work and 1% still on leave as per policy	99%	NA	NA
Female	97% returned to work and 3% still on leave as per policy	84%	NA	NA
Total	98%	97%	NA	NA

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Yes - The Grievance Redressal Mechanism provides employees with a constructive way to voice their concerns and helps the organization to address the issues before they become more of a distraction in the workplace. Employee Grievance Cell is set up in the Head Office. The company's HR Department is designated as the nodal department for handling employee grievances. Employees may register the grievance through call/ mail/HR 360 website/mobile application/ Letter. The HR department will scrutinize the issue/concerns and after clarification from the complainant (if any), draft the note and put it forward before the designated person of the concerned department. The designated person of the concerned department will reply within 7 working days after receiving the note. HR Department will forward the reply to the complainant and explain the outcome of the grievance registered. The CEO of the company is always available in person to understand the concerns and grievances of employees.
Other than Permanent Employees	

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

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>						
Male						NIL
Female						

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

Category	FY 2023-24					FY 2022-23				
	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	13338	9453	71%	8402	63%	9879	4739	48%	3483	35%
Female	528	320	61%	344	66%	348	185	53%	166	48%
<b>Total</b>	<b>13866</b>	<b>9773</b>	<b>70%</b>	<b>8746</b>	<b>63%</b>	<b>10227</b>	<b>4924</b>	<b>48%</b>	<b>3649</b>	<b>36%</b>

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
<b>Employees</b>						
Male	13338	13036	98%	9879	8705	88%
Female	528	528	100%	348	338	97%
<b>Total</b>	<b>13866</b>	<b>13564</b>	<b>98%</b>	<b>10227</b>	<b>9043</b>	<b>88%</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, the coverage such system?

We have OHS policy that ensures commitment to providing a safe and healthy work environment, endorsed by senior management and communicated to all employees. Employees receive training on OHS policies, procedures, and practices relevant to their roles. This training cover topics such as hazard identification and emergency procedures, we have developed and implement procedures for responding to emergencies such as fires, medical emergencies, (M-SWASTH health care assistance) or natural disasters. This includes conducting regular emergency drills and ensuring that employees are familiar with evacuation routes and emergency contacts.

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

Hazard Identification involves scheduled walkthroughs of the workplace to identify any visible hazards, analysing past incidents or near misses to identify root causes and potential hazards encouraging employees to report any hazards they encounter during their work. Control Measures consists of physical changes to the workplace or work conditions to reduce the likelihood of a hazard. Changes to work procedures or policies to minimize exposure to hazards. Providing employees with appropriate training and guidance to protect against hazards that cannot be eliminated through other means.

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

(Y/N) YES, employee grievance redressal

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

YES, employee insurance, ESI and basic health care & online doctor consultancy provided by M-Swasth.

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

Safety Incident/Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees Workers		
Total recordable work-related injuries	Employees Workers		
No. of fatalities	Employees Workers		Not Applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees Workers		

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

Regular assessments are conducted to identify potential hazards in the workplace. Employees are given training on safety protocols & emergency procedures, all our branches and offices are undergoing strict safety validation before acquiring the premise. Every office is provided with fire safety equipment and substantial measures taken to avoid electricity related issues. We have implemented plans for emergencies such as fires, natural disasters, or medical emergencies. This includes providing training on evacuation procedures and first aid. We are conducting routine inspections (Branch Visits) of the workplace to identify and address any safety hazards or compliance issues. Also, when considering business expansions in areas prone to flood, we avoid securing Ground floors in order to ensure employee safety and well-being. By implementing these measures in our organization, we create a workplace where employees feel valued, protected, and empowered to perform their jobs safely and effectively.

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

	FY 2023-24 (Current Financial Year)			FY 2022-23 (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	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

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	100%
Working Conditions	100%

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

NA

### Leadership Indicators

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

Yes-Up to Maximum 2 crore

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

External and Internal Auditing, Internal Monitoring

- 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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees				
Workers				NA

- 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)

Yes - Retiral benefits like Gratuity, leave encashment, and Pension is provided

- 5 Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	
Working Conditions	NA

- 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.

NA

#### 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

Any individuals/groups who may either influence or be interested or affected by the business operations of the Company is identified as the key stakeholder.

- 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
1	Customer	Yes	SMS, Phone, Website, Centre Meetings, Branches	Ongoing and as when basis	Loan service and addressing the queries, grievance etc.
2	Employee	No	SMS, Phone, Email, Website, HRMS software, strategy meets, training and development,	As and when basis	Upskilling training programs, performance appraisal, feedback, suggestions and grievances, reward and recognition etc.
3	Stakeholders & Investors	No	Investor/analysts calls & Conference, Quarterly results, General body meeting, Annual report, Media releases, Website.	Ongoing, quarterly and annually	Updates on business performance, to answer queries raised



	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
4	Government and regulators	No	SMS, Phone, Email, Website, regulatory reporting, meetings,	Periodic and as and when basis	Ensuring compliance with all regulatory requirements, ensuring good governance, responding to communications seeking clarifications and explanations, payment of all statutory dues and taxes
5	Communities	Yes, beneficiaries of CSR initiatives	SMS, Phone, Email, Meetings, Website	Periodic and as and when basis	To promote development and wellbeing of society, Advancing livelihood, Environmental preservation
6	Lenders, Media and Other business partners	No	SMS, Phone, Email, Meetings, Website	Periodic and as and when basis	Providing update on business performance, financial results, updating key issue & concerns

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

The Company proactively interacts with all the stakeholders and the senior management team will also interact with the stakeholders based on the requirements. Any material feedbacks/ comments received from the stakeholders are communicated to the Board

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. There were no specific observations made by any stakeholder during the financial year

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

The Company through its CSR initiatives has touched lives of many by providing support and ensuring that the marginalised or underprivileged sections of the society by offering them with opportunities to achieve success in life.

Further, our microfinance operations are designed to promote entrepreneurship among women and inclusive growth. We provide financial assistance through micro loans such as income generating loans to women engaged in small businesses. Delivering financial services to masses including underprivileged and disadvantaged people, living in the rural sectors of the Indian society at affordable terms, in quick turnaround time and with hassle-free processing is the aim of our financial inclusion drive

**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 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	6204	Nil	Nil	5225	Nil	Nil
Other than permanent	7662	Nil	Nil	5002	Nil	Nil
<b>Total Employees</b>	<b>13866</b>	<b>Nil</b>	<b>Nil</b>	<b>10227</b>	<b>Nil</b>	<b>Nil</b>

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

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	6204	3602	58.06%	2602	41.94%	5225	3161	60%	2064	40%
Male	5984	3489	58.31%	2495	41.69%	5039	3046	60%	1993	40%
Female	220	113	51.36%	107	48.64%	186	115	62%	71	38%
<b>Other than permanent</b>	7662	6874	89.72%	788	10.28%	5002	4440	89%	562	11%
Male	7354	6610	89.88%	744	10.12%	4840	4305	89%	535	11%
Female	308	264	85.71%	44	14.29%	162	135	83%	27	17%

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

- a. Median remuneration / wages:

Gender	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	8	Nil	2	Nil
Key Managerial Personnel	2	1,89,76,245	1	27,47,325
Employees other than BoD and KMP	13336	2,42,424	527	2,42,724
Workers	0	0	0	0

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

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	4.11%	3.86%

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

Yes

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

Employees may register the grievance through call/ mail/HR 360 website/mobile application / Letter. The HR department will scrutinize the issue/concerns and after clarification from the complainant (if any), draft the note and put it forward before the designated person of the concerned department. The designated person of the concerned department will reply within 7 working days after receiving the note. HR Department will forward the reply to the complainant and explain the outcome of the grievance registered. The CEO of the company is always available in person to understand the concerns and grievances of employees.

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

	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other Human rights related issues	0	0	0	0	0	0
Others	229	0	0	290	0	0

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

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

The company has Prevention of Sexual Harassment Policy in place to address the same and also an Internal Complaint Committee for addressing such cases.

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

Yes

10 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The Company is in compliance with the laws, as applicable
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
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.

NA

## Leadership Indicators

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

MML Communication Meet has been introduced after receiving response from the employees through internal survey. Through this interaction the company initiated first steps for the digital collection " PARIVATHAN".

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

NA

- 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

- 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	
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	NA
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.

No such instance has been reported to the company

### 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 2023-24 (Current Financial Year) (Giga Joules)	FY 2022-23 (Previous Financial Year) (Giga Joules)
<b>From renewable sources</b>		
Total electricity consumption (A)	NA	NA
Total fuel consumption (B)	NA	NA
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>0</b>	<b>0</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	15175.06	11503.63
Total fuel consumption (E)	NA	NA
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	15175.06	11503.63
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>15175.06</b>	<b>11503.63</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/ revenue from operations) <b>(Turnover in ₹ crores)</b>	6.68	8.05

Parameter	FY 2023-24 (Current Financial Year) (Giga Joules)	FY 2022-23 (Previous Financial Year) (Giga Joules)
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
<b>Energy intensity in terms of physical output</b>	-	-
<b>Energy intensity (optional)</b> - the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	No	

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.

NA

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water (tanker)	NA	NA
(iv) Seawater / desalinated water	-	-
(v) Water from municipal corporation	110912	88168
(vi) Water Bottles (litre X number of bottle) KL	8.72 (20 litre bottles x 436)	6.6 (20 litre bottles x 330)
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>110920.72</b>	<b>88174.6</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>110920.72</b>	<b>88174.6</b>
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations) <b>(Turnover in ₹ crores)</b>	48.8	61.7
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	-	-
<b>Water intensity in terms of physical output</b>	-	-
<b>Water intensity (optional)</b> – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	No	

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

Not Applicable

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	Company doesn't own vehicles and Diesel Generators	Company doesn't own vehicles and Diesel Generators
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	3013.94	2284.75
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO2e/Turnover in ₹ crore	1.33	1.6

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<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)	-	-	-
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	-	-	-
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity	-	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			No

6 Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

NA

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	NA	-
E-waste (B)	NA	-
Bio-medical waste (C)	NA	-
Construction and demolition waste (D)	NA	-
Battery waste (E)	586	-
Radioactive waste (F)	NA	-
Other Hazardous waste (Oil-soaked cotton waste, DG filters, paint cans, chemical cans, paint residue, oil sludge, DG chimney soot, coolant oil and used oil) . Please specify, if any. (G)	NA	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	51.06	-
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>637.06</b>	
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations) (Turnover in ₹ crores)	0.28	-
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	-	-
<b>Waste intensity in terms of physical output</b>	-	-
<b>Waste intensity (optional)</b> – the relevant metric may be selected by the entity	-	-
<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	17,028	-
(ii) Re-used	NA	-
(iii) Other recovery operations	NA	-
<b>Total</b>	<b>17.028</b>	<b>-</b>
<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	NA	-
(ii) Landfilling	NA	-
(iii) Other disposal operations	NA	-
<b>Total</b>	<b>NA</b>	<b>-</b>
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency		No

8 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

Waste from Head Office, Regional Offices and branches are disposed off safely with support from City Corporation and Municipality waste disposal mechanism, without any environmental impact.

The wastes generated through the MML operations are e-waste, dry waste (primarily paper waste), and wet waste (primarily from the cafeteria). The company ensures that all wastes produced are disposed of responsibly, using approved & authorized waste contractors/recyclers.

- The repair and reuse of electronic devices are prioritized over disposal. When Electronic waste is generated, it is disposed through authorized personnel and ensure that no hazardous electronic waste is sent from the company to the landfill.
- MML is conscious of paper usage in its operations, transactions, and customer communications. Wherever possible, digital alternatives are introduced to reduce paper consumption, thereby reducing paper waste.
- Printing and photocopying operations by employees across offices are monitored and regulated in order to reduce the wastage of paper.
- The old records/documentation are responsibly disposed in ways that have the least impact on the environment.
- MML strive to reduce the use of all forms of plastic at offices, branches as well as in its promotional, marketing, and outreach events.
- MML ensures that the domestic waste (Sewage) from offices and branches is not let into water bodies untreated.

9 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:

S. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
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NA

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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NA

11 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:

S. No	Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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NA

## Leadership Indicators

- 1 Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 3 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)			
<b>Total Scope 3 emissions per rupee of turnover</b> Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency			No

The company is currently not capturing data on scope 3 emissions

- 2 With respect to the ecologically sensitive areas reported at Question 9 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.

NA

- 3 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
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NA

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

Muthoot Microfin Ltd has an effective Information Security Risk Assessment practice followed as part of its ISMS program, in which BCP requirements are also considered. The organization also has a Business Continuity Policy for its critical IT systems. Periodic Disaster Recovery Drills are also performed by the IT team to ensure that the BCP setup performs as per the design and plan.

The organisation's ability and readiness to manage business interruptions are evaluated in order to provide continuity of services at a minimum acceptable level and to safeguard the company's financial and competitive position in the short and the long term. The legal entities in the MPG have adopted ISO 22301:2012 as the standard based on which the BCMS is designed, implemented and monitored. In addition, the above Standard, the select clauses of the control group 17 of ISO 27002:2013 relating to Information Security Aspects of Business continuity has also been adopted.

- 5 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

NA

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

NA



**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.

The Company is a member of two industry chambers/ associations

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

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State / National)
1	Microfinance Institution	National
2	Sa-Dhan	National

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

Name of authority	Brief of the case	Corrective action taken
NIL		

**Leadership Indicators**

- 1 Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
NIL					

**PRINCIPLE 8 :**

**Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL					

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

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NIL						

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

There is a Customer Grievance Redressal mechanism in place for ensuring timely redressal of customer complaints.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	70%	70%
Directly sourced within India	100%	100%

- 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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	86.72%	85.34%
Semi-urban	0	0
Urban	5.0%	6.15%
Metropolitan	8.28%	8.51%

### 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
NA	

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

S. No.	State	Aspirational District	Amount spent (In INR)
(a)		Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)	No
(b)		From which marginalized /vulnerable groups do you procure?	NA
(c)		What percentage of total procurement (by value) does it constitute?	NA

- 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:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
				NIL

- 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.

Name of authority	Brief of the Case	Corrective action taken
		NIL

- 6 Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Smile Please Project	92	100
2	Blue Butterflies (Paediatric Cancer – Treatment & Nutrition Support)	30	100
3	Support for Sports training through MPCES	48	100
4	Rajasthan Skilling Project with RRF	450	100
5	Muthoot Volleyball Academy	120	100
6	Sports Instructure Project	Under construction phase	100
7	Education Support	1	100

**PRINCIPLE 9 :**

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

**Essential Indicators**

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

The Company is highly customer-centric and financial compliant organisation, Grievance Redressal Mechanism is governed by the following norms.

1. Clients are treated fairly at all times
2. Complaints raised by clients are dealt with courtesy and in a timely manner
3. Clients are informed of avenues to raise their queries and complaints within the organisation and their rights if they are not satisfied with the resolution of their complaints.
4. Queries and complaints are treated efficiently and fairly with a turnaround time defined and communicated to clients.
5. The grievance handling staffs work in good faith and without prejudice towards the interests of the clients

The Company provides a transparent and conclusive method of client grievance redressal – the first level is initiated from the branch itself, the second one with a toll-free number where customer can raise their complaints and queries and the third level through an Appellate Authority in the organisation in Head Office level.

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

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

3 Number of consumer complaints in respect of the following:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	NA	-	Nil	NA	-
Advertising	-	-	-	-	-	-
Cyber-security	Nil	NA	-	Nil	NA	-
Delivery of Products	34	3	-	38	-	-
Quality of Products	2	-	-	3	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	604	18	-	392	8	-

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

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		NA

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

Yes. MML has a board-approved cyber security policy. This policy is not publicly disclosed. The objective of this Policy is to proactively identify the Cyber threats and the risks manifested in information infrastructure and manage, mitigate, avoid, transfer, or accept the risks as per the risk appetite of the organization. MML also has a Privacy and personal data protection policy which is published in its website - <https://muthootmicrofin.com/wp-content/uploads/2023/01/PrivacyandPersonalDataProtectionPolicy.pdf>

- |   |  |
|---|--|
| <p>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</p> <p>NIL</p> | <p>2 Steps taken to inform and educate consumers about safe and responsible usage of products and/or services. Comprehensive Group training is given for 3 days to new customers and then the same is evaluated for adequate awareness during Group Recognition Test. The customer is educated again with the terms and conditions of loan at the time of loan sanction and the disbursements.</p>   |
| <p>7 Provide the following information relating to data breaches:</p> <p>a. Number of instances of data breaches</p> <p>NIL</p> <p>b. Percentage of data breaches involving personally identifiable information of customers</p> <p>NIL</p> <p>c. Impact, if any, of the data breaches</p> <p>NIL</p>                                 | <p>3 Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services</p> <p>We are in direct contact with the customers during our centre meeting and every information with relation to product or services is directly disseminated to the customers. Customers are also informed through customer apps, sms and auto call notifications.</p> <p>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)</p> <p>Yes, all the loan related information is provided to the customer. Additionally, the customer is given loan card which also includes the terms and conditions of loan and the entire pricing sheet is given to the customer in the form of fact sheet. Additional source of information for the customer is through customer application and the company website.</p> |

### Leadership Indicators

- 1 Channels / Platforms where information on products and services of the entity can be accessed (provide web link, if available).
- <https://muthootmicrofin.com/>
- Center meetings & Branches, Customer Support Service helpline and the Mahila Mitra mobile application