

May 30, 2024

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,
1st 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 2023-24

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 2023-24, which forms part of the Integrated Annual Report for the financial year 2023-24.

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 & Sustainability Report

SECTION A GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identity Number (CIN) of the Listed Entity	L67120MH2008PLC181833
2.	Name of the Listed Entity	L&T Finance Limited (formerly known as L&T Finance Holdings Limited)
3.	Year of incorporation	2008
4.	Registered office address	Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India
5.	Corporate address	Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai- 400098, Maharashtra, India
6.	E-mail	igrc@ltfs.com
7.	Telephone	+91 22 6212 5000
8.	Website	www.ltfs.com
9.	Financial year for which reporting is being done	FY24
10.	Name of the Stock Exchange(s) where shares are listed	BSE, NSE
11.	Paid-up Capital	₹ 24,88,94,03,100 comprising 2,48,89,40,310 equity shares of ₹ 10 each
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Apurva Rathod Telephone: 022 6212 5000 Email: 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).	Disclosures in this report are made on a consolidated basis
14.	Name of assurance provider	Deloitte Haskins & Sells LLP
15.	Type of assurance obtained	Limited Assurance

II. PRODUCTS/SERVICES

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

Sr. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY24)
1	Lending	<p>Retail Business</p> <p>Rural Business Finance</p> <ul style="list-style-type: none"> Rural Group Loans and Micro Finance (JLG) Rural LAP <p>Farmer Finance</p> <ul style="list-style-type: none"> Farm Equipment Finance Agri-Allied Finance <p>Urban Finance</p> <ul style="list-style-type: none"> Two-Wheeler Finance Personal Loan Home Loans and Loan Against Property <p>SME Finance</p> <ul style="list-style-type: none"> Loans to Professionals and Traders 	91

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	Retail business contribute to more than 90% of the total turnover	64200	>90%

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	1,964	1	1,965
International	NA#		

*As per RBI definition. Link: <https://www.rbi.org.in/commonman/English/Scripts/Notification.aspx?id=583#b>

#NA: The company has no branches/operations outside India.

19. Markets served by the entity:

a. Number of locations

22#

National (No. of States)

#20 states and 2 Union Territories

NA

International (No. of Countries)

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

- NA*

*NA: 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 2.3 Cr
- Rural customers consist of Women Entrepreneurs and Farmers with a customer database of ~1.5 Cr and Urban customers consists of Salaried/Self employed/Business Persons/Professionals with a database of ~0.77 Cr
- Rural Business Finance (Rural Group Loans, Micro Finance and Rural LAP) serves the rural enterprises
- Farmer Finance serves the rural farmers
- For urban individuals, LTF offers three products: Home Loans / LAP, Personal Loans and Two-Wheeler Finance under its Urban Business
- SME Finance serves professionals and traders



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		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)
EMPLOYEES								
1	Permanent (E)	30,534	29,143	95	1,391	5	0	0
2	Other than Permanent (F)	-	-	-	-	-	-	-
3	Total employees (E + F)	30,534	29,143	95	1,391	5	0	0
WORKERS: NA*								

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)
DIFFERENTLY ABLED EMPLOYEES								
1	Permanent (E)	4	4	100	0	0	0	0
2	Other than Permanent (F)	0	0	0	0	0	0	0
3	Total differently abled employees (E + F)	4	4	100	0	0	0	0
DIFFERENTLY ABLED WORKERS: NA*								

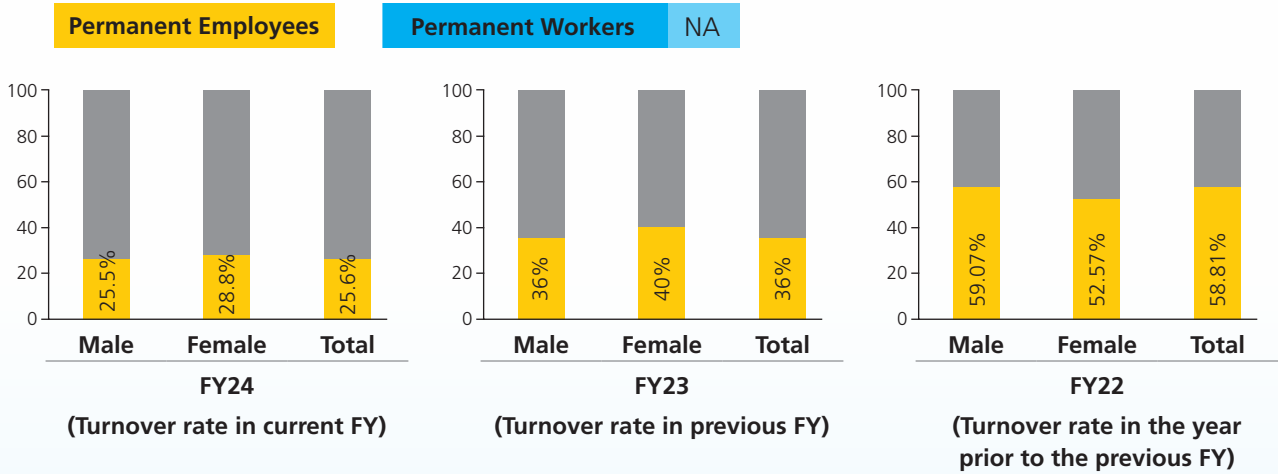
*NA: No workers are employed by the Company and hence the details are not applicable

21. Participation/Inclusion/Representation of women:

Location	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	2	18
Key Management Personnel	4	1	25

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)



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

23. (a) Names 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	Larsen & Toubro Limited	Holding	65.86	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 Ind AS 28 and no consolidation of accounts with LTF

VI. CSR DETAILS

24.

Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**

Turnover **₹ 14,055.12 Cr**

Net worth **₹ 23,438.44 Cr**

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)	FY24 (Current Financial Year)			FY23 (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 https://www.ltfs.com/docs/default-source/reports-policies/committee-and-csr-policy/Corporate-Social-Responsibility-Policy395423db-7244-4f81-89fd-df9cf8000bb0	0	0	-	0	0	-
Investors* (other than shareholders)	Yes https://www.ltfs.com/grievance-redressal	72	0	-	565	0	-
Shareholders	Yes https://www.ltfs.com/contact-us	4	0	-	8	0	-
Employees and workers	Yes (Code of Conduct) https://www.ltfs.com/docs/default-source/financialresult/governance/Code-of-Conduct-for-Senior-Management-and-Employee	4	0	-	0	0	-
Customers	Yes https://www.ltfs.com/grievance-redressal	27,529	767	-	23,439	1,711 [#]	-
Value Chain Partners	Yes (Third-Party Code of Conduct) https://www.ltfs.com/docs/default-source/reports-policies/sustainability-other-related-policies/Third-Party-Code-of-Conduct	0	0	-	0	0	-
Other (please specify)	-	-	-	-	-	-	-

* Holders of Non-Convertible Debentures

[#] The counts mentioned include the counts of complaints received from RBI

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 identified issue
1	Business Ethics
2	Corporate Governance
3	Regulatory Compliance
4	Transparency and Disclosure
5	Brand Reputation
6	Climate Strategy and Risk
7	Return on Equity/ Return to Shareholders
8	Privacy and Data Security
9	Occupational Health and Safety
10	Providing transport and fair advice to stakeholders and consumer financial protection
11	Sustainable Finance
12	Maintenance of Credit Ratings
13	Data Analytics for Early Warning Signals

S. No.	Material identified issue
14	Customer Relationship Management
15	Risk and Crisis Management
16	Business Model Resilience
17	Human Capital Development
18	Financial Inclusion and Enhancing Rural Livelihood
19	Human Rights
20	Diversity, Inclusion and Equity
21	Global Economic and Domestic Policy Advocacy
22	Emissions in Operations
23	Local Community Development
24	Digital Innovation
25	Resource Efficiency

Please refer the IAR FY24, 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
Policy and management processes											
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)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web Link of the Policies, if available	Please refer the section policy Compendium for accessing the policies								
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)	Y	Y	Y	Y	Y	Y	Y	Y	Y
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) mapped to each principle.									
		Principle 1	ISO 20000:2018								
		Principle 2, 3, 4, 5 and 7	-								
		Principle 6	LEED GOLD Certification, Green Certification, ISO 14064-2:2019								
		Principle 8	ISO 26000:2010								
		Principle 9	ISO 27001:2013								
5.		Specific commitments, goals and targets set by the entity with defined timelines, if any.	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.		Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Target met	Target met	Target met	Target met	Target met	Target met	Target met	Target met	Target met
Governance, leadership and oversight											
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements										
	Managing Director and Chief Executive Officer;										
	<p>"As a responsible business focused on ethics and values, LTF was an early adopter of sustainability and instituted ESG as one of the core pillars of its business strategy. LTF endeavors to build an ESG conscious organisation.</p> <p>LTF remains steadfast in its commitment to achieving Carbon Neutrality by FY35 and has made noteworthy strides in that direction. In addition to our corporate office, this year we have switched 24 of our branches to green power with an ~18% reduction in estimated carbon footprint for FY24. ~99% of our Maharashtra operations run on green power while 39% of our overall business operates on renewable energy. We have also calculated the Financed emissions for our Two Wheeler and Farmer implement/tractor portfolios in addition to the employee commute.</p>										

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9															
	<p>We secured ₹ 9,444 Crore Sustainability focussed and Priority lending Loans and 51.60% of the Company's loan book is from low-income states - thus promoting equitable development. LTF also developed and released its Sustainable Finance framework with a second party opinion. Additionally, the Company also conducted tree plantation drives under the project 'Prakruti' that mitigates carbon footprint while providing additional livelihood opportunities to farmers. The Company has replenished 50x of our water consumption and has maintained a water-positive stance.</p> <p>We launched the Diversity, Equity and Inclusion workshops for our employees in Middle management. We have also taken systematic steps towards Occupational Health and Safety by formalizing the Hazard Identification and Risk Assessment framework. This year we also undertook maiden initiatives like the "Net Promoter Score" (NPS) initiative to gauge customer loyalty and satisfaction across all products during the Customer onboarding journey and engaged with more than 85% of our upstream and downstream value chain partners on ESG.</p> <p>The Company expanded its Digital Sakhi program in new geographies, successfully implementing in 9 states across India, empowering ~12.5 lakh people in FY24. These projects will continue to empower women and communities through digital financial literacy and awareness about government entitlement schemes.</p> <p>On the governance front, the subsidiaries, namely L&T Finance Ltd., L&T Infra Credit Ltd., and L&T Mutual Fund Trustee Ltd. were merged under one entity i.e. L&T Finance Holdings Ltd. (LTFH), creating a "Single Lending" entity. The single operational lending entity was also renamed as L&T Finance Limited. This will allow seamless corporate governance, and increase operational efficiencies, and synergies in treasury and liquidity management.</p> <p>Going forward our focus will be towards ensuring our performance is consistent, predictable, and sustainable. And, while doing this we will ensure that we do our best towards contributing to the nation building agenda by helping more Indians through best products and services and even through job creation.</p>																							
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	<p>Sudipta Roy Managing Director and Chief Executive Officer</p>																							
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.	<p>Yes, CSR and ESG Committee</p> <p>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 and the progress made in achieving sustainability, CSR and ESG goals.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #FFD700;">Name of the Committee</th> <th style="background-color: #FFD700;">Designation of the Committee</th> <th style="background-color: #FFD700;">Nature of Directorship</th> </tr> </thead> <tbody> <tr> <td>Rajani R. Gupte</td> <td>Chairperson</td> <td>Independent Director</td> </tr> <tr> <td>R. Seetharaman</td> <td>Member</td> <td>Independent Director</td> </tr> <tr> <td>Sudipta Roy</td> <td>Member</td> <td>Managing Director and Chief Executive Officer</td> </tr> <tr> <td>Dinanath Dubhashi</td> <td>Member</td> <td>Whole-time Director</td> </tr> </tbody> </table>									Name of the Committee	Designation of the Committee	Nature of Directorship	Rajani R. Gupte	Chairperson	Independent Director	R. Seetharaman	Member	Independent Director	Sudipta Roy	Member	Managing Director and Chief Executive Officer	Dinanath Dubhashi	Member	Whole-time Director
Name of the Committee	Designation of the Committee	Nature of Directorship																						
Rajani R. Gupte	Chairperson	Independent Director																						
R. Seetharaman	Member	Independent Director																						
Sudipta Roy	Member	Managing Director and Chief Executive Officer																						
Dinanath Dubhashi	Member	Whole-time 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	<p>Focused conversations on NGRBC policies and performance serve as a regular feature of the Company's quarterly Board meetings and newsletters. Every year, the CSR and ESG Committee evaluates the ESG performance. The leadership of the Company, which includes the Managing Director and Chief Executive Officer, also regularly review ESG performance. All the policies of the Company are approved by the Board/respective committees and reviewed periodically or on a need basis, but at the least, annually.</p>																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	<p>The Company complies with the extant regulations and principles as are applicable. Except for the penalties mentioned, there were no material non-compliances with respect to statutory / regulatory requirements.</p>																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
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.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

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:

NA



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 categorised 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 (BoD)	14	1) Macro environment 2) Industry outlook 3) IT, Data Analytics and Digital	100
Key Managerial Personnel		4) Information and Security Awareness 5) ESG 6) Marketing strategies 7) Risk management	
Employees other than BoD and KMPs	2,714	1) KYC/AML 2) Prevention of Sexual Harassment 3) Code of Conduct 4) Vigil Mechanism 5) Human Rights 6) Information and Security awareness 7) ESG 8) Insider trading and securities dealing code	100
Workers	NA		

Note: Regular emails on awareness of topics related to principles are sent to employees and directors, as required

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: 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	Principle 1	Reserve Bank of India	Penalty of ₹ 2.5 Cr was levied on L&T Finance Limited, a material wholly-owned subsidiary of the Company (which has been merged with the Company effective December 04, 2023)	<p>The statutory inspection of L&T Finance Limited, a material wholly-owned subsidiary of the Company ("LTF") was conducted by Reserve Bank of India ("RBI") with reference to its financial position as on March 31, 2021 and March 31, 2022 and after examination of all the related correspondence and Company's reply and submissions, RBI observed a non-compliance with certain provisions of the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Accordingly, the RBI vide its order dated October 17, 2023 (received by LTF on October 20, 2023) had imposed a monetary penalty of ₹ 2.50 Cr on LTF for such non-compliance.</p> <p>Further, LTF has paid the said penalty on November 02, 2023 and has already taken corrective actions and strengthened various processes and controls in relation to the deficiencies observed and it has no material impact on financial, operation or other activities of the Company</p>	No

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	Principle 1	Assistant Commissioner of Central Tax, Office of the Assistant Commissioner of Central Tax, Ameerpet GST Division, Srinagar Colony, Hyderabad, Telangana	Penalty of ₹ 8,31,810 has been imposed u/s 73 of the Central Goods and Services Tax Act, 2017 in the name of LTF (which has been merged with the Company effective December 04, 2023)	On account of short tax paid and excess claim of ITC	Yes (Appeal to be filed on or before due date)
Penalty	Principle 1	Additional Commissioner of State Tax (Appeal), Office of the Appellate Authority, Bihar, Central Division, Patna	Penalty of ₹ 12,596 has been imposed u/s 73 of the Central Goods and Services Tax Act, 2017 in the name of LTF (which has been merged with the Company effective December 04, 2023)	On account of short tax paid	Yes (Appeal to be filed on or before due date)
Penalty	Principle 1	Department of Goods and Service Tax, Government of Tamil Nadu	Penalty of ₹ 2,49,42,868 has been levied for F.Y. 2017-18 under Section 73 of the Central Goods and Services Tax Act, 2017 in the name of L&T Housing Finance Limited (which was earlier merged with L&T Finance Limited ("LTF") and LTF has been merged with the Company effective December 04, 2023)	<ol style="list-style-type: none"> Excess claim of Input Tax Credit due to mismatch in GSTR-3B vs. GSTR-2A; Levy of tax on income which were categorised under "Exempt Supply"; Reversal of Input Tax Credit on expenses and trade payables; Levy of tax on additions and deletions to fixed assets; Tax liability due to mismatch in reconciliation of turnover as per financial statements with GST returns; and Input Tax Credit reversal as per Rule 42 of the Central Goods and Services Tax Rules, 2017. 	<p>Writ Petition Filed on March 29, 2024.</p> <p>Order received on April 12, 2024 setting aside the demand order and matter is remanded back for reconsideration</p>

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	Principle 1	Department of Trade and Taxes, Government of NCT of Delhi	Penalty of ₹ 40,772 has been levied under Section 73 of the Central Goods and Services Tax Act, 2017 in the name of L&T Finance Limited (which has been merged with the Company effective December 04, 2023)	Input tax credit (ITC) for FY18 availed on goods and services received from dealers whose GST Number has been cancelled / who have defaulted in filing returns / tax non payers	Yes (Appeal filed)
Penalty	Principle 1	Department of Goods and Services Tax, Government of Andhra Pradesh	Penalty of ₹ 20,000 has been levied under Section 73 of the Central Goods and Services Tax Act, 2017 in the name of L&T Finance Limited, a wholly-owned material subsidiary of the Company (which has been merged with the Company effective December 04, 2023)	Ineligible input tax credit (ITC) for FY18 on account of cancellation of the GST Number of the supplier	No (Amount paid)
Penalty	Principle 1	Department of Goods and Services Tax, Government of Gujarat	Penalty of ₹ 49,682 has been levied under Section 73 of the Central Goods and Services Tax Act, 2017 in the name of L&T Housing Finance Limited (which was earlier merged with L&T Finance Limited ("LTF") and LTF has been merged with the Company effective December 04, 2023)	Excess claim of ITC due to mismatch in GSTR-3B vs. GSTR-2A for FY18	Yes (Amount paid and appeal filed)

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	Principle 1	Department of Goods and Service Tax, Government of Uttarakhand	Penalty of ₹ 20,000 has been levied under Section 73 of the Central Goods and Service Tax Act, 2017 in the name of L&T Finance Limited, a wholly owned subsidiary of the Company (which has been merged with the Company effective December 04, 2023)	Tax liability declared in GSTR-3B is less than GSTR-1 for FY18	Yes (Appeal filed)
Penalty	Principle 1	Department of Goods and Service Tax, Government of Maharashtra	Penalty of ₹ 30,12,384 under Section 73 of the Central Goods and Service Tax Act, 2017 in the name of L&T Finance Limited, a wholly owned subsidiary of the Company (which has been merged with the Company effective December 04, 2023)	<ol style="list-style-type: none"> Excess outward tax in GSTR 9 compared to GSTR 3B Excess claim of Input Tax Credit; Claiming of blocked credit as per Section 17(5) of the Central Goods and Service Tax Act, 2017 Non-payment of IGST under reverse charge mechanism on service charges paid for accessing the VAHAN portal 	Yes (Appeal filed)
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA

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	0
Punishment	0	0	0	0

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:

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 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 our Code of Conduct. This policy does not prohibit interactions with Government officials; rather, it forbids corrupt interactions with those individuals. Its purpose 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:

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	NA	NA

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

	FY24 (Current Financial Year)		FY23 (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:

NA*

*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:

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Number of days of accounts payables	3.88*	3.65*

*Only billed dues are considered

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:

	Metrics	FY24 (Current Financial Year)	FY23 (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	NA*	NA*
	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)	6.88%	1.92%
	b. Sales (Sales to related parties / Total Sales)	0	0
	c. Loans & advances (Loans & advances given to related parties / Total loans & 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 are 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
4	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. Additionally, in FY24, LTF finalised a Value Chain ESG Assessment framework and rolled out the assessment covering >75% of its value chain partners (upstream and downstream). As part of the same, awareness sessions were organised for value chain partners.

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 involve 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:

NA*

*LTF has undertaken several initiatives to digitise process and products. However, it does not have a dedicated R&D department.

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%*

*Sustainable sourcing of products is not a material issue for the Company, given that financial products are service oriented and not resource-intensive in terms of materials. Through digitization of products and services, usage of recycled paper, green chemicals for sanitation purposes and energy efficient appliances (LED's, ACs), procurement of green power at HO and 24 other branches, the Company ensures sustainable practices through its procurement.

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:

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. Moreover, the Company recycles all the e-waste generated through an authorised recycler. 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 HO as part of its action towards zero waste to landfill.

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.

NA

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?

No*

*LTF has undertaken estimation of its financed emissions on select portfolios. However, LTF intends to evaluate a comprehensive LCA for its services if 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
NA	NA	NA

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):



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

	FY24 (Current Financial Year)			FY23 (Previous Financial Year)		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NA*					
E-waste						
Hazardous waste						
Other waste						

*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:

- As a service industry (NBFC), we deliver services and do not produce any products that require packaging materials.

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

* 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.

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:

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	29,143	29,143	100	29,143	100	0	-	29,143	100	0	0
Female	1,391	1,391	100	1,391	100	1,391	100	0	-	0	0
Other	-	-	-	-	-	-	-	-	-	0	0
Total	30,534	30,534	100	30,534	100	1,391	5	29,143	95	0	0
Other than Permanent employees - 0											

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

NA

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

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Cost incurred on well- being measures as a % of total revenue of the Company	0.40*	0.48*

*Aforementioned well-being costs, includes staff welfare costs including costs incurred for health insurance, accident insurance, term life insurance cost, wellbeing app subscription expenses amongst others for employees.

2. Details of retirement benefits:

Benefits	FY24 (Current Financial Year)			FY23 (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	NA	Y	100	NA	Y
Gratuity	100	NA	Y	100	NA	Y
ESI	67	NA	Y	72	NA	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.

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.ltfs.com/docs/default-source/reports-policies/sustainability-other-related-policies/\(6\)-Humna-Rights-policy](https://www.ltfs.com/docs/default-source/reports-policies/sustainability-other-related-policies/(6)-Humna-Rights-policy)

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%	48%	NA	
Female	100%	33%		
Other	0	0		
Total	100%	40%		

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	NA
Other than Permanent Workers	NA
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@ltfs.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@ltfs.com. The Internal Committee, which consists of senior organisational 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@ltfs.com. The Company strives to ensure speedy resolution of grievances through various channels and ensuring confidentiality.

For more inputs please refer to Corporate Governance and Human Capital Section of the Integrated Annual Report.

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

NA*

*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	FY24 (Current Financial Year)					FY23 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C/A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	29,143	28,041	96	28,414	97	26,507	24,855	94	16,122	61
Female	1,391	1,315	95	1,322	95	999	874	87	349	35
Other	-	-	-	-	-	-	-	-	-	-
Total	30,534	29,356	96	29,736	97	27,506	25,729	94	16,471	60
Workers - NA										

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

Category	FY24 (Current Financial Year)			FY23 (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	29,143	24,997	85.77	26,507	21,782	82.17
Female	1,391	1,189	85.48	999	794	79.48
Other	-	-	-	-	-	-
Total	30,534	26,186	85.76	27,506	22,576	82.08
Workers - NA						

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. Various health and safety initiatives and measures have been implemented for all employees in accordance with the policy, such as Stepathon, workshops 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. LTF is also a signatory to the WASH initiative. For new hires dedicated training on road safety during their induction is carried out. 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 FY24, LTF conducted an Hazard Identification and Risk Assessment study covering HO and branches in all four zones. Helmets were also distributed to frontline officers as safety gears at multiple locations PAN India.

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

In FY24, LTF conducted Hazard Identification and Risk Assessment study noting down potential hazards as observations in the set template validated by external expert. A total of 14 samples sites, HO 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 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. Fire extinguishers are available for use in branches. The Company ensures that the fire extinguishers are regularly refilled and appropriately monitored. Regular communications are made regarding the proper use of fire extinguishers as well as other dos and don'ts in the event of a fire emergency. In order to support and provide a secure and germ-free working environment for employees, the Company has installed an Ultra Violet - C ("UVC") Nanotechnology AC system in the corporate headquarters. In addition to the same, the Company has conducted two fire mock drills in case of emergency evacuation at corporate office. To ensure that safety is not compromised, the internal Facility Management staff also closely monitors all areas of the facility.

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.

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

NA

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	FY24* (Current Financial Year)	FY23* (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	NA	NA
Total recordable work-related injuries	Employees	0	0
	Workers	NA	NA
No. of fatalities	Employees	0	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	NA	NA

*Above data pertains to LTF premises/office

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. All branches are equipped with regularly monitored and refilled fire extinguishers. Guidelines for using fire safety equipment are communicated consistently. At the corporate 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 of individual employees. On periodic intervals, Sensitisation emailers were sent to employees regarding Workplace ergonomics and Air Quality alerts. Both periodic maintenance and unforeseen inspections are carried out to guarantee that every location is kept up to date and safe from any mishaps.

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 workers and their dependents.

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

	FY24 (Current Financial Year)			FY23 (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

- LTF conducted Hazard Identification and Risk assessment (HIRA) considering samples sites, including HO, covering all 4 zones at pan India level
- HIRA training conducted through external expert covering different stakeholders from multiple departments, creating a bench strength to further enhance the health and safety practices
- ESG Framework in place covering important ESG aspects for identifying and setting up of new branches
- Pest control for branches
- Hygiene bins services are provided at HO and across multiple branches pan India
- Maintenance contracts are in place for safety practices in various branches

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:

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. Additionally, the gaps were also addressed, if any, observed in the HIRA assessment. Helmets were provided to frontline employees as safety gears as a preventive measure.

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- NA

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

LTF 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	
	FY24 (Current Financial Year)	FY23 (Previous Financial Year)	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Employees	0	0	0	0
Workers	NA	NA	NA	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)

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. Going forward, based on the responses received from value chain partners, LTF also aims to conduct an awareness session on Third-Party Code of Conduct (TPCOC) 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 during FY24.



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. For more inputs, please refer to Stakeholder Engagement and Materiality Assessment Section of the Integrated Annual Report.

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, SMS, Podcasts, Radio, WhatsApp, Town Halls, Employee Survey, Engagement events	Monthly, Quarterly and need based	a) Talent management b) Employee engagement c) Learning and development d) Productivity e) Work-life balance f) Staff welfare and g) Health and Safety h) Remuneration and employee benefits
Investors	No	Website, Quarterly Investor presentations, Quarterly Investor calls, Investor meetings, non-deal roadshows (NDR)	Quarterly	a) Market outlook b) Business strategy c) Operational efficiency d) Long-term business performance e) ESG risks and opportunities in business f) Technology in business

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
Regulators	No	E-mail, Physical Documents	Need based, as prescribed under regulations	<ul style="list-style-type: none"> 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	Monthly, Quarterly and Annually (need based)	<ul style="list-style-type: none"> 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
Vendors and CSR Implementing project partners	No	Website, meetings, surveys	Quarterly and Annually	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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:

- a) The management team of your 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.
- b) 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 and rating agencies 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.

For more inputs please refer to Corporate Governance Section of the Integrated Annual Report

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, LTF engages third-party consultants who then interact with different stakeholders to provide responsible solutions. An independent consultant has been engaged to offer advice on ESG-related matters, particularly value chain engagement. Second party studies by independent consultants on tree plantation, social impact and employee engagement survey were also undertaken.

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, Farmer Finance. LTF has effectively reached out to communities through our Sustainability Focused Loans and Priority Sector Lending. Through our CSR programmes, we remained resolute in our 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	FY24 (Current Financial Year)			FY23 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	30,534	29,356	96	27,506	21,007	76
Other than permanent	0	0	0	0	0	0
Total employees	30,534	29,356	96	27,506	21,007	76
Workers - NA						

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

Category	FY24 (Current Financial Year)					FY23 (Previous Financial Year)					
	Total (A)*	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage		
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)	
Employees											
Permanent	Male	29,143	681	2	28,462	98	26,507	1,047	4	25,460	96
	Female	1,391	92	1	1,299	93	999	28	3	971	97
	Other	0	0	0	0	0	0	0	0	0	0
Other than permanent	0	0	0	0	0	0	0	0	0	0	0
Total employees	30,534	773	2.5	29,761	97	27,506	1,075	3.9	26,431	96	
Workers - NA											

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)	9	35,90,000*	2	17,17,500	0	0
Key Managerial Personnel	3	4,10,00,000	1	NA	0	0
Employees other than BoD and KMP	29,140	2,30,000	1,390	2,35,200	0	0
Workers	NA	NA	NA	NA	NA	NA

*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 in FY22 considered

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

	FY24 (Current Financial Year) (%)	FY23 (Previous Financial Year) (%)
Gross wages paid to female as % of wages paid	6.73*	6.30*

* Gross wages are considered as Cost-to-Company (CTC) 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@ltps.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@ltfs.com to convey their concerns/issues.

For more inputs please refer to Corporate Governance Section of the Integrated Annual Report.

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

	FY24 (Current Financial Year)			FY23 (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	1	0	-	0	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	-

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

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	0
Complaints on POSH as a % of female employees / workers	0.07	0
Complaints on POSH upheld	1	0

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

- a) LTF is dedicated to establishing a secure work environment for its employees and has zero tolerance for harassment in the workplace. The organisation has put in place a policy for ceasing, prohibiting, and dealing with workplace sexual harassment. Additionally, in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company established an Internal Committee where complaints pertaining to sexual harassment can be filed. The right to work with dignity and protection from sexual harassment are guaranteed by appropriate reporting procedures.
- b) 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.
- c) 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:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	
Sexual harassment	
Wages	
Discrimination at workplace	0
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*

*There have been no concerns arising from human rights requirements forming part of our TCOC. 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

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, HO 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
Child labour	>75
Forced/involuntary labour	
Sexual harassment	
Wages	
Discrimination at workplace	
Others – please specify (Employee Wellbeing and Safety, Gender Diversity, Enabling Inclusive Development, Diversity and Inclusion and other environment related topics, etc.)	

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

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	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
From Renewable Sources		
Total electricity consumption (A)	9,328.07 GJ	6,728.52 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	9,328.07 GJ	6,728.52 GJ
From Non-Renewable Sources		
Total electricity consumption (D)	14,784.08 GJ	14,847.4 GJ
Total fuel consumption (E)	870.38 GJ*	700.6 GJ
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	15,654.46 GJ	15,548 GJ
Total energy consumed (A+B+C+D+E+F)	24,982.53 GJ	22,276.5 GJ
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations) (GJ/INR)	0.000000178#	0.000000167#
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.000003982**	0.000003713**
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	0.82 GJ/FTE	0.81 GJ/FTE

*Total fuel consumption has increased for FY24 because of implementation of employee wellbeing initiative of meal facility leading to the addition of LPG consumption in the scope.

#For revenue from operations, Total income (Total revenue from operations + Other income) has been considered

**Purchasing Power Parity (PPP): Total Income is adjusted as per International Monetary Fund Implied PPP conversion rate.

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, Deloitte Haskins and Sells LLP

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	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Water withdrawal by source (in kilo liters)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water (Municipal water supplies)	3,41,077	2,50,812
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	3,41,077	2,50,812
Total volume of water consumption (in kilolitres)	3,41,077*	2,50,812
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations)	0.000002427 [#]	0.0000019 [#]
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000054358**	0.000041803**
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity (kilo litres / FTE)	11.17	9.12

*Increase in total water consumption in FY24 compared to FY23 was due to an increase in employee headcount and branch expansion. However, the Company has replenished 50x more water through rain water harvesting initiatives.

[#]For revenue from operations, Total income (Total revenue from operations + Other income) has been considered

**Purchasing Power Parity (PPP): Total Income is adjusted as per International Monetary Fund Implied PPP conversion rate.

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, GeoExTerra (second party subject matter expert reporting agency) and assurance by Deloitte Haskins and Sells LLP.

4. Provide the following details related to water discharged:

NA*

*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 has a STP installed at corporate office through which 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	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
NOx	PPM	42.8	31.7
SOx	mg/Nm ³	35.1	78.3
Particulate matter (PM)	Mg/Nm ³	58.2	64
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)
Yes, independently assessed by Equinox Labs.

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

Parameter	Unit	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	405.47	387.13
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2,312.25	2,928.24
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent / ₹	0.000000019*	0.000000025*
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent / ₹ Revenue from operations adjusted for PPP	0.000000433#	0.000000553#

Parameter	Unit	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	tCO2e/FTE	0.09	0.12

*For revenue from operations, Total income (Total revenue from operations + Other income) has been considered

#Purchasing Power Parity (PPP): Total Income is adjusted as per International Monetary Fund Implied PPP conversion rate.

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, Deloitte Haskins and Sells LLP.

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 wherever available and feasible. In FY24, the Company consumed ~39% of green power 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 solution in 6 branches, 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 electric car charging stations in corporate offices are a few of the initiatives undertaken by LTF.

24 branches operated on green electricity in FY24 and corporate office operations run fully on renewable energy. ~99% 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.

A total sequestration of 1,982 tCO2e up until the end of FY24 has been verified by an independent assessment by an expert agency, which was also examined and assured by Deloitte Haskins and Sells LLP.

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	FY24* (Current Financial Year)	FY23* (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0.11
E-waste (B)	3.32	7.71
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H) . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	59.66	38.80
Total (A+B + C + D + E + F + G + H)	62.98	46.61
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT / ₹)	0.0000000004 [#]	0.0000000004 [#]
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated (MT) / Revenue from operations adjusted for PPP)	0.000000010 ^{**}	0.000000008 ^{**}
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity (MT/FTE)	0.00206	0.00169
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	16.96	7.71
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	16.96	7.71
Intensity (Kg of Waste Recycled Recovered / Total Waste Generated)	0.27	0.17

Parameter	FY24* (Current Financial Year)	FY23* (Previous Financial Year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	46.02	38.90
(iii) Other disposal operations	0	0
Total	46.02	38.90
Intensity (Kg / MT of Waste disposed / Total Waste generated)	0.73	0.83

*The waste data reported is for corporate office, City 2 and Mahape office. E-waste data is reported for all branches.

#For revenue from operations, Total income (Total revenue from operations + Other income) has been considered

**Purchasing Power Parity (PPP): Total Income is adjusted as per International Monetary Fund Implied PPP conversion rate.

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, Deloitte Haskins and Sells LLP.

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. Additional, LTF also conducted the Daan Utsav drive to encourage employees to responsibly dispose e-waste at domestic level as well.

The Company in FY24 segregated and recycled wet and dry waste generated at its corporate office and City 2 office 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:

NA*

*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 HO 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:

NA

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):

NA*

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

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

Parameter	Unit	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	6,698.35*	4,051.92
Total Scope 3 emissions per rupee of turnover	tCO ₂ e/₹	0.0000000477#	0.0000000305#
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	tCO ₂ e/FTE	0.22	0.15

*Increase in Scope 3 emissions is due to increase in headcount and operations (business travel, purchase capital goods).

#For revenue from operations, Total income (Total revenue from operations + Other income) has been 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.

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:

NA

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	Green Power	Implemented at HO and 24 others branches across Maharashtra, Telangana and Tamil Nadu	Reduction in use of carbon intensity, conventional power and reducing carbon footprint
2	Replacement of conventional lighting with LEDs	Implemented across all offices	Reduction in energy consumption
3	Energy efficient ACs	Implemented at HO and all new branches. Phasing out of old low energy rated ACs	Reduction in energy consumption
4	Automatic Tube Cleaning System	Installed at HO	Avoid continuous running of pump resulting in power saving, Eliminated accumulation, residue, and foulant instead of using toxic materials
5	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.
6	Energy saving solutions based on Internet of Things (IOT)	Installed across 6 Branches	Using IOT based solutions, energy consumption is optimised thus resulting into energy saving
7	Strengthen Waste Segregation and Recycling	Carried out a HO	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 created an efficient IT-BCP governance structure and an Information Technology Business Continuity Plan (BCP) strategy. For testing databases, servers, information systems, and processes that handle personal data, it has developed sufficient IT BCP and IT Disaster Recovery (DR) procedures. Additionally, it regularly evaluates the risks associated with its operations, information systems, and outside parties, including audits of its buildings and IT infrastructure. A business impact study is done on the important applications after they have been identified.

LTF has established detailed processes to identify, monitor, and mitigate IT security risks. LTF's digital platform has a 3-tier security architecture with in-built disaster recovery and multiple layers of defence for IT networks, websites, applications, database and user laptops / desktops, for protection from service attacks, ransomware and malware.

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:

NA

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). Going forward, based on the responses received from value chain partners, LTF also aims to conduct an awareness session on Third-Party Code of Conduct (TPCOC) with its value chain.

**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.**

S. 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	Academic Advisory Council of Reserve Bank of India	National
4	Lead Economist Group of NITI Aayog	National
5	Editorial Advisory Board for Bank Quest Journal of Indian Institute of Banking and Finance	National
6	CII WR Sub-Committee on Corporate Governance	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:

NA

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 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.</p> <p>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 floated 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	Quarterly	-

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 Communicate in public domain (Yes / No)	Relevant Web link
Digital Sakhi Project, Maharashtra (Phase II) - Interventions of Digital Financial Literacy and Entrepreneurship Development by 100 Digital Sakhi(s) and 1,000 women entrepreneurs in the digital space	SIA/01/2023-24	May 23, 2023	Yes	Yes	www.ltfs.com
Digital Sakhi Project, Madhya Pradesh - Interventions of Digital Financial Literacy and Entrepreneurship Development by 100 Digital Sakhi(s) and 1,000 women entrepreneurs in the digital space	SIA/01/2023-24	May 23, 2023	Yes	Yes	www.ltfs.com
Digital Sakhi Project, Tamil Nadu - Interventions of Digital Financial Literacy and Entrepreneurship Development by 100 Digital Sakhi(s) and 1,000 women entrepreneurs in the digital space	SIA/01/2023-24	May 23, 2023	Yes	Yes	www.ltfs.com
Miyawaki Plantation - Mitigating climate impact through strategic plantations via Miyawaki technique	SIA/01/2023-24	May 23, 2023	Yes	Yes	www.ltfs.com

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

NA*

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

3. 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. 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) should be addressed to csr@ltps.com.

For more inputs please refer to Social and Relationship Capital Section of the Integrated Annual Report

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

	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	15.56	12.84
Directly from within India	99.90	99.77

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	FY24 (Current Financial Year) (%)	FY23 (Previous Financial Year) (%)
Rural	53.01	47.43
Semi-urban	4.85	4.66
Urban	8.82	8.81
Metropolitan	33.32	39.10

CTC of employees has been considered as wages

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	NA*

*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:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	0	0	0

3. (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:

NA*

*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:

NA

6. Details of beneficiaries of CSR Projects:

CSR Project	Number of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Digital Sakhi, West Bengal	2,86,221	80
Digital Sakhi, Karnataka 1	2,13,326	50
Digital Sakhi, Karnataka 2	1,58,644	50
Digital Sakhi, Kerala	1,33,507	50
Digital Sakhi, Uttar Pradesh	1,25,050	60
Digital Sakhi, Bihar	1,02,847	60
Digital Sakhi, Tamil Nadu	1,01,340	50
Digital Sakhi, Odisha	36,645	50
Disaster Management	71,400	0
Road Safety Campaigns	38,950	0
Capacity building of Water User Groups	5,526	100
Healthcare	548	100
Total	12,73,734	

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 inputs please refer to Manufactured and Intellectual Capital section of the Integrated Annual Report.

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

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

*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:

	FY24 (Current Financial Year)		Remarks	FY23 (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	27,529	767	-	23,439	1,711	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

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

	Number	Reasons for recall
Voluntary recalls		NA*
Forced recalls		

*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

(the policy is available at: chrome-extension://efaidnbnmnnibpcajpcglclefindmkaj/https://www.ltfs.com/docs/default-source/default-document-library/data-privacy-policy.pdf?sfvrsn=729aba03_3)

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 made the following significant adjustments 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.

For more inputs please refer to Social and Relationship and Manufactured and Intellectual Capital

7. Provide the following information relating to data breaches:

- 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-0**

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. (www.ltfs.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 (www.ltfs.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.

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

Yes

Through SMS, WhatsApp 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.ltfs.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.

LTF undertook its maiden Net Promoter Score (NPS) initiative to gauge customer loyalty and satisfaction across all its products during the customer onboarding journey.

For further details refer to Social and Relationship Capital section of the Integrated Annual Report.



Assurance Statement

Deloitte Haskins & Sells LLP

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INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION OF L&T FINANCE LIMITED

To the Board of Directors
of L&T FINANCE LIMITED (erstwhile L&T Finance Holdings Limited)

1. We have undertaken to perform limited assurance engagement, for **L&T FINANCE LIMITED (erstwhile L&T Finance Holdings Limited)** (the "Company") vide our engagement letter dated January 8, 2024, in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information") in accordance with the Criteria stated in paragraph 3 below. This Sustainability Information is included in the Company's Integrated Annual Report (the "IAR"), Business Responsibility and Sustainability Report (the "BRSR") included within IAR, (together the "Reports") of the Company for the year ended March 31, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners, environmental engineers and specialists.

2. Identified Sustainability Information

Our scope of limited assurance consists of the Identified Sustainability Information listed in the Appendix I to our report. The reporting boundary of the Reports is as below:

- In case of BRSR, it is disclosed in Question 13 and Question 23 (a) of Section A: General Disclosures of the BRSR with exceptions disclosed by way of note under respective questions of the BRSR, where applicable.
- In case of Identified Sustainability Information other than BRSR, it is disclosed in the 'About the report' section in the IAR with exceptions disclosed by way of note under respective disclosures, where applicable.

Our limited assurance engagement was with respect to the year ended March 31, 2024 information and we have not performed any procedures with respect to earlier periods included in the Reports, and, therefore, do not express any conclusion thereon.

3. Criteria

The Criteria used by the Company to prepare the Identified Sustainability Information is listed below:

- Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended;
- Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023;
- SEBI Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and clarifications thereto issued by SEBI;
- With reference to GRI Sustainability Reporting Standards, issued by the Global Reporting Initiative (GRI) referred to as GRI Standards (the "GRI Standards"); and



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- Internally defined criteria by the Management of the Company as set out under Appendix I to this Report.

4. Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information including the reporting boundary of the Reports, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the Reports and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

5. Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between companies.

Measurement of certain indicators, some of which are estimates, is subject to substantial inherent measurement uncertainty, including, water credit and carbon sequestration. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.

6. Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

The firm applies Standard on Quality Control (the "SQC") 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

7. Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information listed in Appendix I based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", and Standard on Assurance Engagements (SAE) 3410 Assurance Engagements on Greenhouse Gas Statements (together the "Standards"), both issued by the Sustainability Reporting Standards Board (the "SRSB") of the ICAI.



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This Standard requires that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

As part of limited assurance engagement in accordance with the Standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

8. Limited Assurance

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information as listed in Appendix I, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information;
- Made inquiries of Company's management, including sustainability team, compliance team, human resources team amongst others and those with the responsibility for preparation of the Reports;
- Obtained an understanding of the key systems and processes for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at other offices/branches/meeting centres on a sample basis;
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures;
- Reviewed the Company's process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records; and
- Reviewed the consolidation for various branches/ meeting centres and corporate office under the reporting boundary for ensuring the completeness of data being reported.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.



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Our assurance scope excludes the following and therefore we do not express a conclusion on:

- Aspects of the Reports and the data/information (qualitative or quantitative) other than the Identified Sustainability Information; and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

10. Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information listed in Appendix I and presented in the Reports for the year ended March 31, 2024 are not prepared, in all material respects, in accordance with the Criteria as stated in paragraph 3 above.

11. Other matter

Select indicators within the BRSR and the IAR of the Company for the year ended March 31, 2023 were assured by the previous assurance practitioner who had expressed an unmodified conclusion on June 8, 2023.

Our conclusion is not modified in respect of this matter.

12. Restriction on use

Our Limited Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Limited Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)



Pratiq Shah
Partner

Membership No. 111850
UDIN: 24111850BKJLU1029

Place: Mumbai
Date: May 29, 2024

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APPENDIX I Identified Sustainability Information subject to Limited Assurance

Part A - BRSR Core Indicators subject to Limited assurance

Sr. No	Reporting Standard Reference	Description of Indicator
Section C: Principle [P] Wise Performance Disclosures - Essential Indicators [E]		
1	P-1 [E], Question 8	Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured)
2	P-1 [E], Question 9	Open-ness of business Details of concentration of sales with dealers, and related parties along-with loans and advances & investments, with related parties.
3	P-3 [E], Question 1(c)	Spending on measures towards well-being of employees and workers (including permanent and other than permanent)
4	P-5 [E], Question 3(b)	Gross wages paid to females as % of total wages paid by the entity
5	P-5 [E], Question 7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 - Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) -Complaints on POSH as a % of female employees/workers - Complaints on POSH upheld
6	P-6 [E], Question 1	Details of total energy consumption (in Joules or multiples) and energy intensity: -Total energy consumed
7		-Total energy consumption from renewable sources (% of energy consumed from renewable sources)
8		Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)
		Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)
9	P-6 [E], Question 3	Water withdrawal by source (in kilolitres) - Surface water, Groundwater, Third-Party Water, Seawater/desalinated water, Others



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Sr. No	Reporting Standard Reference	Description of Indicator
Section C: Principle [P] Wise Performance Disclosures - Essential Indicators [E]		
10		- Total volume of water withdrawal (in kilolitres)
		- Total volume water consumption (in kilolitres)
		Water intensity per rupee of turnover (Total water consumption / Revenue from operations)
		- Water intensity per rupee of turnover adjusted for PPP (Total water consumption / Revenue from operations adjusted for PPP)
11	P-6 [E], Question 4	Water Discharge by destination and level of treatment (in kilolitres)
12	P-6 [E], Question 7	Greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity
		Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)
13		Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)
14		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)
15	P-6 [E], Question 9	Details related to waste management by the entity
		Total waste generated: Plastic waste, E-waste, Construction demolition waste, Biomedical waste, Battery waste, Radioactive waste, Other Hazardous waste and Non-hazardous waste
16		Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)
		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)
17	P-6 [E], Question 9	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)



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Sr. No	Reporting Standard Reference	Description of Indicator
Section C: Principle [P] Wise Performance Disclosures - Essential Indicators [E]		
18	P-6 [E], Question 9	Each category of waste generated; total waste disposed by nature of disposal method (in metric tonnes)
19	P-8 [E], Question 4	Percentage of input material (inputs to total inputs by value) sourced from suppliers Directly sourced from MSMEs/ small producers Directly from within India
20	P-8 [E], Question 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)
21	P-9 [E], Question 7	Information relating to data breaches: Number of instances of data breaches Percentage of data breaches involving personally identifiable information of customers Impact, if any, of the data breaches

Part B: Other Indicators subject to Limited Assurance

Sr. No	Reporting Standard Reference	Description of Indicator
BRSR - Section C: Principle [P] Wise Performance Disclosures - Essential Indicators [E]		
1	P-3 [E], Question 9	Details of performance and career development reviews of employees and worker.
2	P-3 [E], Question 7	Membership of employees and worker in association(s) or Unions recognised by the listed entity.
GRI Standards Disclosure presented in Integrated Annual Report		
3	GRI 2-7*	Employees – Report the total number of employees within the organization as per the breakdowns required by GRI 2-7
4	GRI 3-1\$	Process to determine material topics



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Sr. No	Reporting Standard Reference	Description of Indicator
5	GRI 302-1#	Energy consumption within the organization
6	GRI 303-5#	Water consumption
7	GRI 305-1#	Direct (Scope 1) GHG emissions
	GRI 305-2#	Energy indirect (Scope 2) GHG emissions
8	GRI 305-3#	Other indirect (Scope 3) GHG emissions
		Specific Categories:
		Category 1: Purchased goods and services
		Category 2: Capital Goods
9	GRI 306-3#	Waste generated
	GRI 306-4#	Waste diverted from disposal
	GRI 306-5#	Waste directed to disposal
10	GRI 401-1*	New employee hires and employee turnover
11	GRI 401-3*	Parental Leaves
12	GRI 404-1*	Average learning hours per year per employee
13	GRI 405-1*	Diversity of governance bodies and employees
Internally defined Management criteria		
14	Responsible lending^	Responsible lending to women entrepreneurs (no. of active women borrowers who received micro loans)
15	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



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Sr. No	Reporting Standard Reference	Description of Indicator
16	Carbon Sequestration#	Carbon sequestration calculation basis guidance in Clean Development Mechanism (CDM) A/R (Afforestation/Reforestation) methodology.

Note:

*Disclosed in Human Capital Section in IAR

#Disclosed in Natural Capital Section in IAR

\$Disclosed in Stakeholder Engagement and Materiality Assessment Section in IAR

^Disclosed in Social and Relationship Capital Section in IAR

