



S Chand And Company Limited

Registered Office: A-27, 2nd Floor, Mohan Co-Operative Industrial Estate, New Delhi - 110044, India.

P: +91 11 4973 1800 | F: +91 11 4973 1801 | E: info@schandgroup.com | www.schandgroup.com

Date: September 12, 2023

To Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra 400001	To Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra 400051
---	---

Dear Sir,

Re: Intimation regarding Environmental, Social and Governance Grading Report - pursuant to Regulation 30 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Pursuant to Regulation 30 of the Listing Regulations, it is hereby informed that CARE Advisory Research and Training Limited conducted Environmental, Social and Governance ("ESG") assessment of the Company and based on the analysis provided CareEdge ESG Grade 3 with 63 ESG Score to the Company.

The detailed ESG Report provided by CARE Advisory Research and Training Limited is attached herewith. The Company received this report by e-mail on September 11, 2023 at 6:38 P.M.

Request you to kindly take note of the same.

Thanking You,
For S Chand And Company Limited

Jagdeep Singh
Company Secretary & Compliance Officer
Membership No. A15028
Address: A-27, 2nd Floor,
Mohan Co-operative Industrial Estate,
New Delhi-110044



Encl as above.

S Chand & Company Limited



S. CHAND

Industry: Communication Services

Sub-Industry: Publishing

CareEdge ESG Grade 3

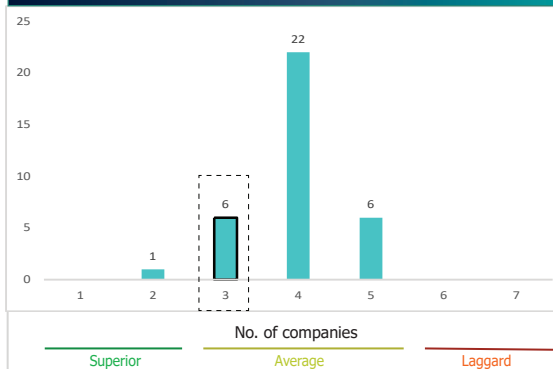


ESG Score break-up

Below percentage highlights the company's positioning for each pillar that contributed to its ESG assessment as of September 2023.



ESG Grading Distribution for Communication Services in top listed entities



Report table of contents

Key Drivers for the ESG Score	P02
ESG Grading Scorecard	P03
Category wise performance	P04
Environment Assessment	P05
Social Assessment	P07
Governance Assessment	P09

ESG Grading Summary:

CareEdge Research's ESG assessment for S Chand & Company Ltd. is at Grade 3. S Chand & Company Limited was established in 1939. The company operates in the educational content and publishing industry, offering a diverse range of educational materials, including textbooks, workbooks, reference books, and digital learning solutions. S Chand & Company primarily focuses on the K-12 educational segment in India, serving students, teachers, and educational institutions with high-quality educational resources to support learning and academic excellence.

S Chand & Company Ltd. showcases remarkable proficiency with transparent disclosures, effective board functioning, and well-structured policies. However, the company encounters obstacles like the lack of an ESG policy and identifying its key material issues. On the social forefront, the company places paramount importance on fostering diversity, ensuring robust cyber security measures, offering an Employee Stock Option Plan, and maintaining rigorous employee well-being standards. When it comes to environmental sustainability, the company displays a strong dedication through optimizing resources, integrating solar technologies, and implementing eco-conscious practices. However, the company lacks quantitative disclosures on carbon emissions.

S Chand & Company demonstrates robust governance performance with transparent disclosures on shareholding patterns, independent board composition, and strong board functioning. The adoption of key policies like whistle-blower and code of conduct ensures effective governance. However, the company lags in providing disclosures on ESG material issues and targets to achieve sustainability in the future. As a healthy practice the company should start disclosing corporate political contributions if any.

S Chand & Company Ltd. exhibits moderate performance in the environmental theme. The company has taken steps to reduce its reliance on DG sets and lower electricity consumption with efficient lighting systems, optimizing the resources for minimal impact. Also, the company uses recycled paper for printing books as their raw material. However, the company is yet to measure carbon emissions and set emission reduction targets.

The company demonstrates one of the strongest social performance with emphasis on diversity, inclusivity, and employee well-being through its Equal Opportunity Policy and Employee Stock Option Plan. The company maintains a low turnover rate and a dedicated grievance handling mechanism and focuses on cybersecurity with a stringent IT policy. However, there is room for improvement as the company has not yet adopted the ISO27001 standard which is considered as industry best practice.

LAST UPDATE: September 2023

Analyst - Rohan Jain
rohan.jain@careedge.in

Key Drivers to the ESG Score

Theam		Remarks
Human Capital	↑	The company clearly disclosed its diversity and employee stock options policy and provides training to all its employees. In addition, the company has a WFH Policy that allows employees to be flexible to achieve better results.
Energy usage	↑	The company's current approach entails grid supplies supported by DG sets. Company's energy management efforts include 6-7% solar-powered Corporate Office electricity, with future plans for up to 20% solar integration in the new facility by 2024-25. Also, the company plans to transition itself to LNG generators to phase out DG sets.
ESG Oversight	↓	S Chand & Company Ltd. has aligned its education focused CSR activities with UNSDGs. However, there is absence of ESG Policy, materiality assessment, also reporting of sustainability report and sustainability assurances, shows areas for enhanced ESG Oversight.

Grading model details

S Chand & Company Ltd. was graded based on Media & Entertainment ESG framework.

Methodology note

Theme level scores are weighted average scores based on indicator scores * weight for the indicator.

Summation of theme level scores gives pillar level and total ESG scores.

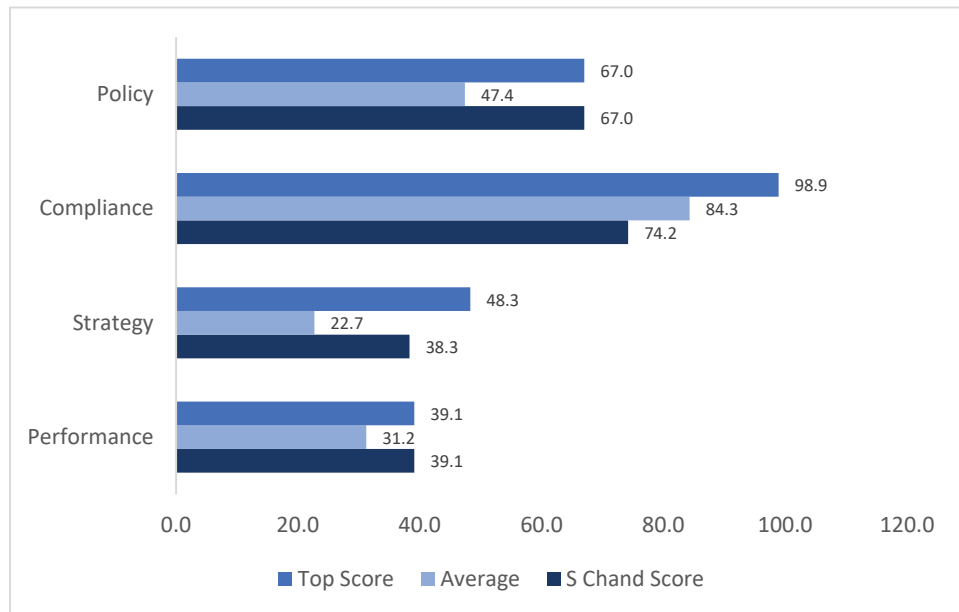
To understand more about approach on data collection and methodology, please visit our website or Contact us at cart@careedge.in

ESG Grading scorecard

Themes	S. Chand Theme Scores	*Industry Average	*Industry Top Score
Carbon and other GHG Emissions	0.4	0.4	0.9
Energy Usage	0.7	0.4	0.7
Raw Material Sourcing	0.8	0.7	1.6
Total Environment Score	1.9	1.6	3.2
Privacy and Data Security	1.6	2.1	3.2
Product Safety and Quaiy	1.6	0.5	1.6
Opportunities in Communications	4.6	2.9	6.3
Communities	2.1	1.7	2.1
Labour Management	6.2	5.7	6.3
Supply Chain	4.2	2.3	4.2
Human Capital	7.5	4.0	7.5
Total Social Score	27.8	19.2	31.2
Disclosures	4.4	5.0	5.9
Board Composition	4.7	5.1	5.6
Board Functioning	6.1	5.6	6.3
Pay	6.3	3.3	6.3
Ownership	6.3	5.6	6.3
Business Ethics	5.3	4.6	5.3
Oversight on ESG	0.3	0.2	1.2
Total Governance Score	33.4	29.5	36.9
Total ESG Score	63.1	50.2	71.3

*Industry Average score and Top score consists of companies like S Chand & Company Limited, D.B. Corp Limited, Jagran Prakashan Limited, MPS Limited, Navneet Education Limited, HT Media Limited and Repro India Limited

Category wise performance for S Chand & Company Limited (%)

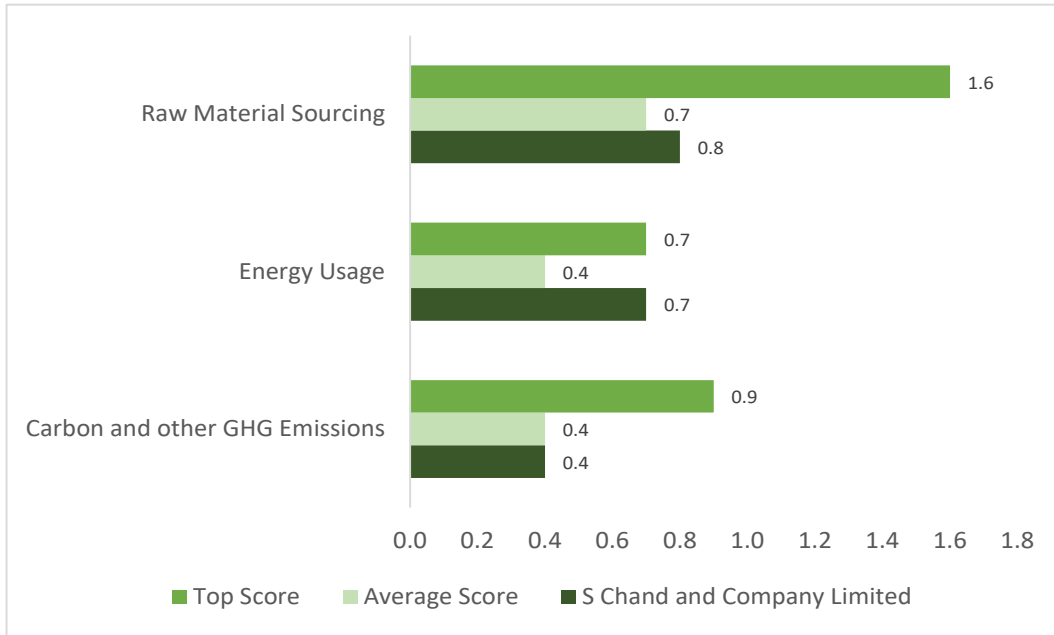


Our framework captures company’s ESG performance in four categories :

Compliance	Policy	Performance	Strategy
Aligning and complying with laws and regulations for the sector and the country	Adopting best practices through policy documentation and internal practices	Monitoring of performance across key indicators	Integration of ESG into business strategy, philosophy, vision and alignment with country goals

S Chand and Company Limited is the top performer in policy, coupled with an above-industry-average performance in performance and strategy, while maintaining a modest performance in the compliance category. In policy matters, the company has implemented essential protocols like the Whistleblower Policy, POSH Policy, Code of Conduct, Supplier Code of Conduct, and IT Policy, although improvements are needed in the area of human rights policies. On the performance front, the company provides disclosure of diverse employee-related metrics, including female representation in the workforce, turnover rate, CEO-employee pay ratio, and the tally of pending sexual harassment cases. However, the company lags environmental disclosures relating to carbon emissions. Its strategic strengths include employee well-being and gender diversity, though clear environmental targets are required to be set. In compliance, the company achieves satisfactory performance by revealing shareholding patterns, voting rights, and AGM-related details; however, the company lags ISO27001 adherence.

Environment Assessment



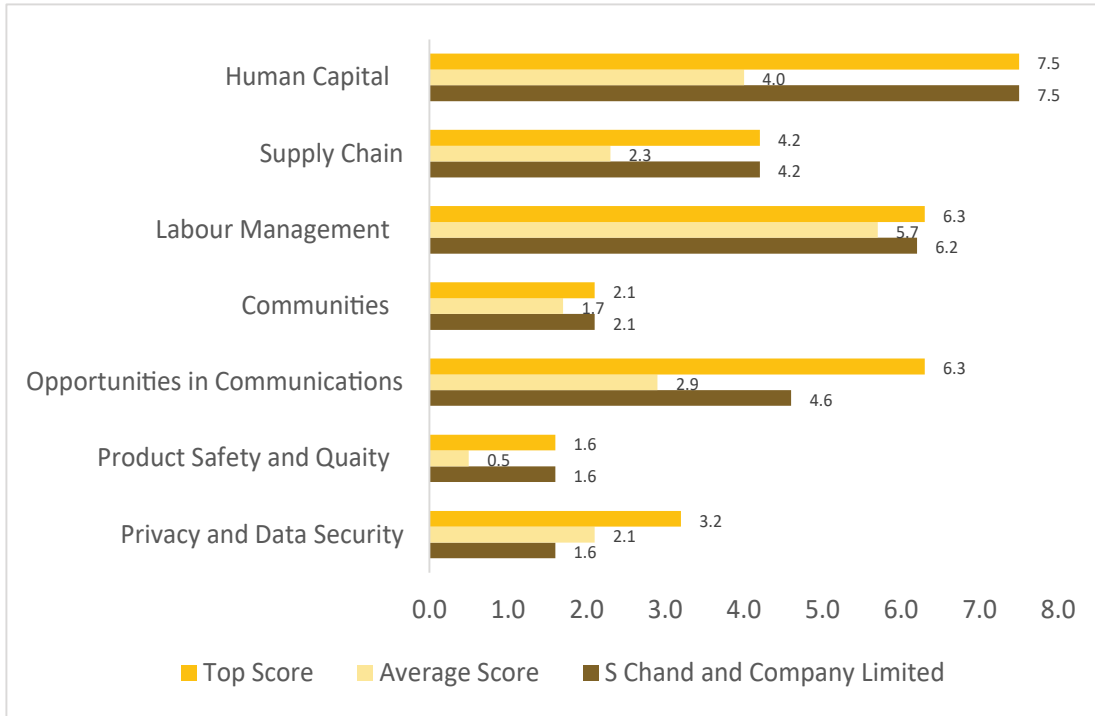
S Chand & Company Limited has shown strong performance in the environmental theme by emphasizing resource optimization to minimize its ecological impact. Significant advancements in energy management include incorporating solar panels for 6-7% of Corporate Office electricity and planning for up to 20% solar integration in a forthcoming new facility by 2024-25. Transitioning from DG sets to LNG-powered generators aligning with NCR guidelines. Furthermore, the company has made progress in raw material sourcing, with 45% of paper for book printing originating from recycled sources.

However, the company lags in areas like disclosing quantitative data on carbon emissions including Scope 1, 2, and 3. Also, the company lags in energy monitoring and disclosure related energy usage across renewable and non-renewable.

S Chand 's Performance on Environment Themes

Environment Themes	Theme Overview	S Chand 's Performance
Carbon and other GHG Emissions	Theme checks about the company's performance on scope 1,2 and 3 emissions intensity and future plans to reduce the same and commitment to Net Zero.	S Chand & Company Limited is yet to measure and disclose its carbon emissions, and its disclosure regarding the detailed utilization of renewable energy sources.
Energy Usage	Energy usage theme checks mechanisms adopted by the company to monitor energy consumption in the operations and initiatives to reduce the same.	The company has taken various initiatives towards energy conservation and also has an energy management system (EHS) in place. However it needs to measure and monitor energy consumption across business activities which will help them reduce GHG emission
Raw Material Sourcing	Theme checks for the company's policies and mechanisms to ensure raw material it is sourcing is sustainable and not harmful to the environment.	The company uses recycled paper as raw material for printing books. However, the company lags a policy/mechanism to monitor safety risks associated with raw material sourcing

Social Assessment



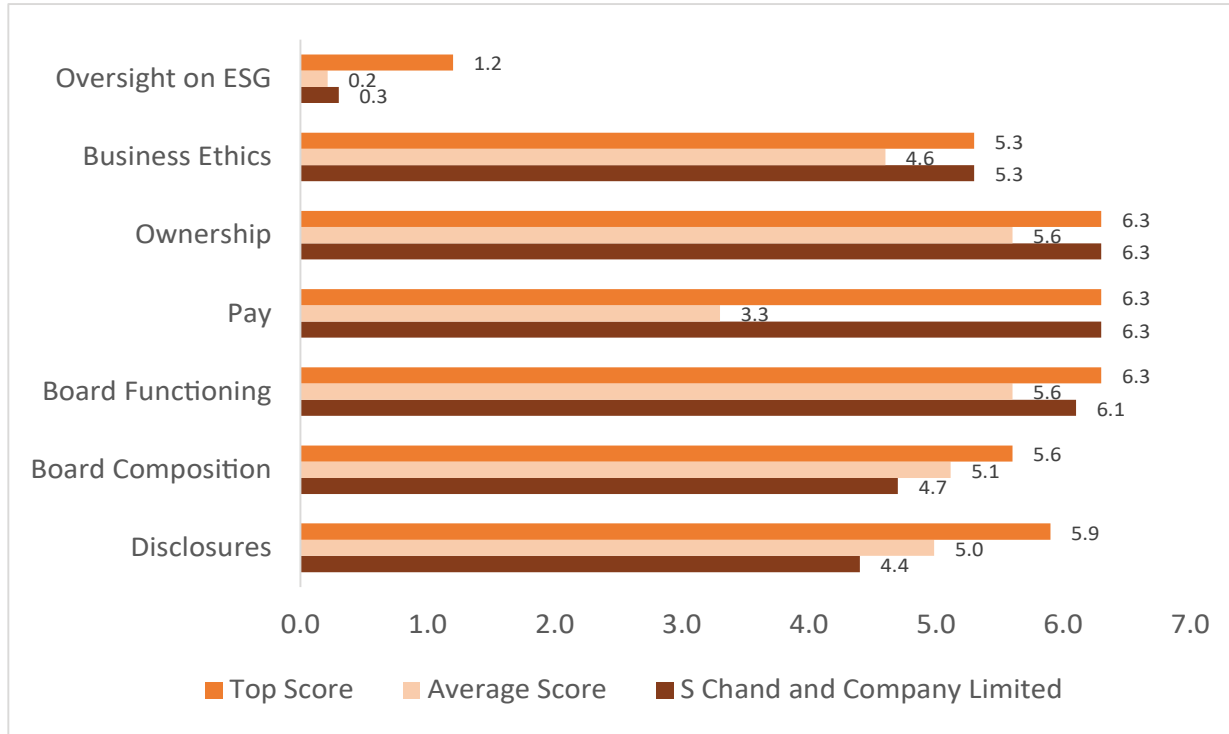
S Chand & Company Limited exhibits moderately strong performance on the social theme. The company prioritizes diversity and inclusiveness through its robust Equal Opportunity Policy, promoting an environment where employee feels valued and respected. Additionally, the company has Employee Stock Option Plan which helps employee align their interests with the company's success. Ensuring the well-being of its workforce is of utmost importance, and the company maintains a comprehensive Employee Health and Safety Policy with 100% employee coverage in training. To safeguard against cyber threats, the company follows a stringent IT policy, enhancing its overall cybersecurity approach. By employing a dedicated mechanism for addressing employee grievances, the company maintains a single-digit low turnover rate (5%) as compared to the double-digit industry average (19%). The company has also disclosed its gender pay ratio which is a good practice followed by the company. Looking ahead, the company aims to expand its resources by incorporating region-specific language and content.

However, the company is yet to adopt ISO 27001 standard and also the company is yet to disclose its future plans for diversity.

S Chand 's Performance on Social Themes

Social Themes	Theme Overview	S Chand 's performance
Privacy and Data Security	This theme is related to evaluating the data security and privacy practices adopted by the company. It verifies if the company is in compliance with global protocols to reduce the cyber-attacks and also checks whether the company has any breaches during past years.	S Chand & Company Ltd. maintains an IT policy for cybersecurity, resulting in no reported data breaches or revenue loss due to IT infrastructure breakdown. However, the company lags ISO 27001
Product Safety and Quality	This theme evaluates transparency and fairness of product and services towards customer. Any incidents of non-compliance with regulators are flagged.	As per the company there haven't been any penalties for non-compliance or financial losses as a result of litigation over the quality and safety of its products.
Opportunities in Communications	This theme highlights the company's commitment to promoting inclusivity and future plans in news media content through diverse ethnic groups and vernacular languages. It emphasizes on the different cultures, fostering a more equitable and engaging media landscape.	The company has identified opportunities in communication by expanding its educational offerings through YouTube channels, a test prep app, and curriculum solutions while focusing on digital and blended learning for various age groups in the K-12 segment, indicating a strategic approach.
Communities	This theme evaluates the company's commitment towards community through CSR projects and active engagement with them.	S Chand & Company Ltd. has a Community Grievance Handling Policy and has a publicly disclosed CSR policy. However, due to a negative net profit, no funds have been allocated towards CSR initiatives, also the company lags impact assessment on communities.
Labour Management	This theme evaluates the performance on labour management practices which include Human Rights practices, employee attrition rate, employee harassment policy & grievance handling mechanism.	S Chand & Company Ltd. has disclosed performance metrics such as low attrition rates and female participation rates. Furthermore company has provided a separate grievance redressal policy for employees. However, the company has not disclosed on Human Rights policy and employee union.
Supply Chain	This theme evaluates the company's suppliers and vendors are incorporated into their code of conduct, ensuring ethical conduct across its supply chain.	The company has a policy to ensure the code of conduct of its suppliers/vendors.
Human Capital	This theme checks the disclosures around workforce diversity of the company, gender pay across functions, development programs for employees and any plans to improve employee diversity.	The company has strong human capital practices with an Equal Employment Opportunity Policy, WFH policy for future work, and an EHS Policy ensuring 100% employee coverage, along with domain training and an employee stock option policy. Also the company discloses its gender pay ratio which is considered a good practice.

Governance Assessment

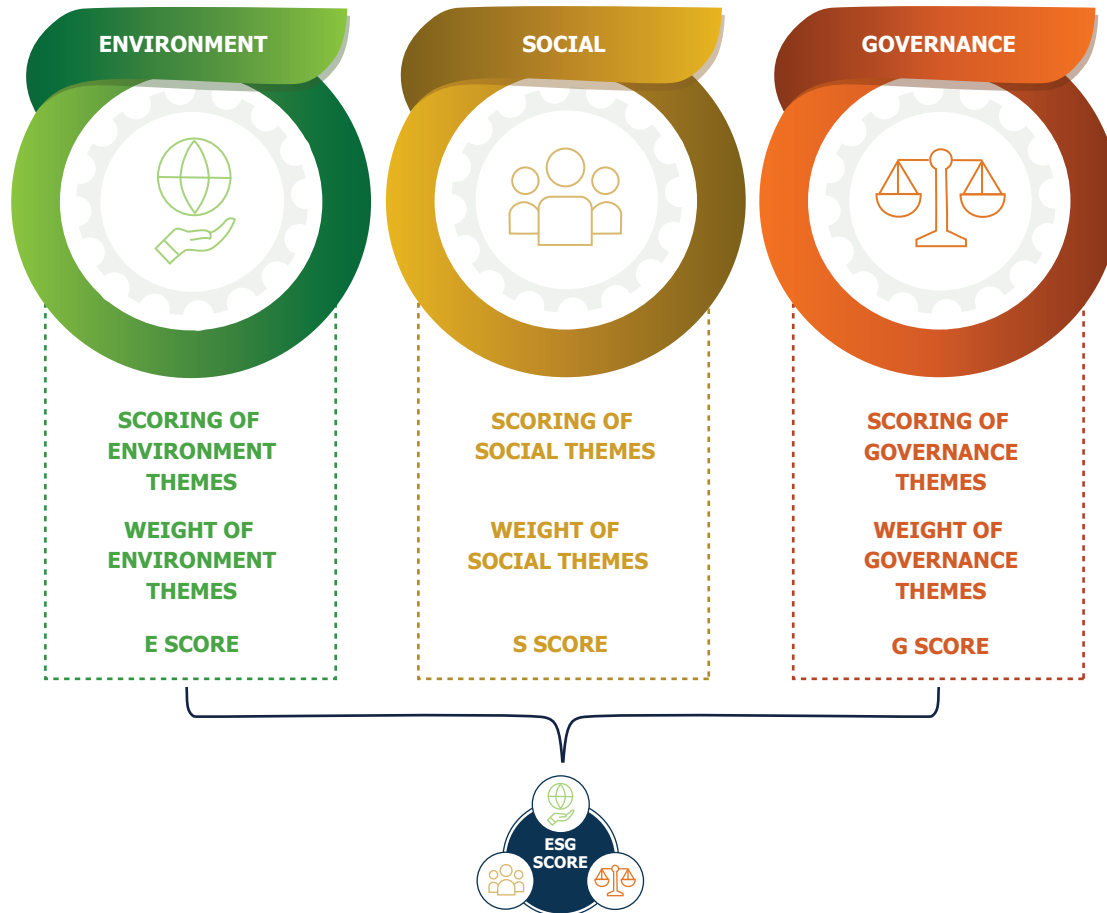


S Chand & Company Ltd. exhibits strong performance in its governance pillar. The company shows vigorous performance on governance parameters such as transparent disclosures of its shareholding pattern, board composition and AGM related disclosures. The company exhibits strong board functioning practices by separating the Chairman and CEO positions and provides familiarization programme for Independent Directors to make them familiar with the provisions of the SEBI and corporate laws. Moreover, it has also adopted key policies such as whistle-blower, code of conduct as well as supplier code of conduct giving it an additional edge in effective governance practices. The company has an effective system to counter bribery and corruption through various training programs. Additionally, the company has reported zero whistle-blower cases during the year. Also, the Chairman of the company is an Independent Director. The company has also disclosed variable pay for Managing Director and Whole Time Director. However, the company lacks committee building through regulatory standards, since there are only 42.85% independent directors on the board, which is less than the required measure of 50%. Additionally, the company lacks an ESG Policy and has negative auditor remarks, which have hampered the company's governance performance.

S Chand 's Performance on Governance Themes

Governance Themes	Theme Overview	S Chand 's performance
Disclosures	This theme tracks transparency in disclosures by the company related to taxation, various business risks faced by the company, auditor's opinion, enforcement action against the company, disclosures surrounding audit fees, and political contribution made by the company.	S Chand & Company Ltd. has absence of political contributions, maintains timely financial report filings, identified key risks and opportunities and has disclosed sensitivity analysis. However, the company has received adverse audit opinion from statutory auditors.
Board Composition	Board composition include composition of directors and key board committees. Whether board diversity policy is implemented by the company.	The company's board comprises of seven directors, maintaining a 28.57% female representation on the board. However, the company falls short of the regulatory requirement for independent directors on its board, with only 42.85% and also have only 33.33% independent directors on its CSR Committee which is not considered best practice.
Board Functioning	This theme evaluates board functioning in line with best practices, such as separation of roles for Chairman and CEO and independent assessment of board performance. Further it checks on the company's disclosures on governance guidelines, Directors orientation programs and material related party transactions.	S Chand & Company Ltd. discloses details of board members and their commitments on other company boards. Furthermore, the company has provided disclosures on ongoing training of its directors alongside regular board meetings during the financial year. Also, the company has separated the roles of Chairman and Managing Director. However, Independent assessment of board performance needs to be conducted- considered best practice.
Pay	This theme evaluates transparent disclosures on Pay practices, such as pre-defined metrics relevant for CEO's variable compensation, Cap limit on Executive's Bonus and Compensation paid to CEO and the median of the annual compensation of all other employees.	Company has transparently disclosed details pertaining to financial metrics and executive pay practices of key management personnel and has ensured the Remuneration committee comprises of Independent/Non-executive members. However, the company lacks clawback mechanism.
Ownership	This is related to evaluating the Ownership structure in line with long term shareholders interest, with transparent disclosures on key shareholders, AGM agenda, participation, minutes etc.	The company has transparently disclosed its shareholding pattern, AGM details with no government holding in the company
Business Ethics	This theme determines the ethical conduct of the company with key aspects like code of conduct, whistleblower mechanism, anti-competition and anti-bribery policies etc.	S Chand & Company Ltd. has provided an undertaking for its anti-corruption policy and has disclosed its Code Of Conduct for senior management and has a whistle-blower policy in place.
Oversight on ESG	Oversight on ESG implies board level oversight on ESG integration with greater thrust on firm level policy, consistent ESG disclosures, validation of data and alignment with UN SDG principles	The company has its CSR initiatives aligned with UNSDGs. However, the company lags in providing disclosures on oversight on ESG across its business operations

Scoring Methodology & Grading



Our framework also has a negative scoring component for non-compliance of legal and regulatory requirements

ESG Grades



Grading Symbol	Definition
CareEdge ESG 1	The ESG performance and preparedness across environment, social and governance pillars for this entity is expected to be Excellent.
CareEdge ESG 2	The ESG performance and preparedness across environment, social and governance pillars for this entity is expected to be Very Good.
CareEdge ESG 3	The ESG performance and preparedness across environment, social and governance pillars for this entity is expected to be Good.
CareEdge ESG 4	The ESG performance and preparedness across environment, social and governance pillars for this entity is expected to be Average.
CareEdge ESG 5	The ESG performance and preparedness across environment, social and governance pillars for this entity is expected to be Below Average.
CareEdge ESG 6	The ESG performance and preparedness across environment, social and governance pillars for this entity is expected to be Poor.
CareEdge ESG 7	The ESG performance and preparedness across environment, social and governance pillars for this entity is expected to be Very Poor.

Disclaimer

The analyses and conclusions contained in this Environmental, Social and Governance (ESG) report is prepared based on to information and data available to CARE Advisory Research and Training Limited ("CareEdge Research"). The analyses contained herein were undertaken by CareEdge Research as of the dates noted herein. Future events which may have significant material impact on the company may warrant re-evaluation of the ESG assessment.

Kindly note that on July 12, 2023 Securities and Exchange Board of India ("SEBI") issued master regulatory guidelines on ESG Rating Providers. We are in the process of evaluating those guidelines and identify our future course of actions. We believe these guidelines will have some impact on the existing approach on ESG assessment, which may warrant to re-evaluate this assessment post completion of transition period of six months as mentioned in the SEBI guidelines.