



# इंडियन रेलवे फाइनेंस कॉर्पोरेशन लिमिटेड

(भारत सरकार का उद्यम) (सीआईएन L65910DL1986GOI026363)

पंजीकृत कार्यालय: यूजी फ्लोर, ईस्ट टॉवर, एनबीसीसी प्लेस, भीष्म पितामह मार्ग, प्रगति विहार, लोधी रोड, नई दिल्ली - 110003

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## INDIAN RAILWAY FINANCE CORPORATION LTD.

(A Government of India Enterprise) (CIN: L65910DL1986GOI026363)

Regd. Office: UG Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Pragati Vihar, Lodhi Road, New Delhi - 110003

Phone: +91-011- 24361480 E-mail: [info@irfc.co.in](mailto:info@irfc.co.in), Website: <https://irfc.co.in/>

No: IRFC/SE/2024-25/ 29

6<sup>th</sup> August 2024

<b>National Stock Exchange of India Limited</b> Listing department, Exchange Plaza, Bandra- Kurla Complex, Bandra (E) Mumbai- 400 051  <b>Scrip Symbol: IRFC</b>	<b>BSE Limited</b> Listing Dept / Dept of Corporate Services, PJ Towers, Dalal Street, Mumbai -400 001  <b>Scrip Code: 543257</b>
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### **Sub: Business Responsibility & Sustainability Report (BRSR) along with Independent Reasonable Assurance Report for FY 2023-24**

Sir/ Madam,

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2023-24 along with Independent Reasonable Assurance Report provided by M/s JointValues ESG Services Pvt Ltd.

BRSR also forms part of the Annual Report of the Company for the Financial Year 2023-24, submitted to the stock exchanges vide letter our dated 6<sup>th</sup> August, 2024.

This is submitted for your information and record.

Thanking You,

**For Indian Railway Finance Corporation Limited**

VIJAY  
BABULAL  
SHIRODE  
Digitally signed by  
VIJAY BABULAL  
SHIRODE  
Date: 2024.08.06  
10:37:37 +05'30'

**(Vijay Babulal Shirode)**  
**Company Secretary & Compliance Officer**

Enclosure: As Above

## Annexure - III

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES\*

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65910DL1986GOI026363
2.	Name of the Listed Entity	Indian Railway Finance Corporation Limited
3.	Year of incorporation	December 12, 1986
4.	Registered office address	UG - Floor, East Tower, NBCC Place, Bhisham Pitamah Marg, Pragati Vihar, Lodhi Road, New Delhi- 110003
5.	Corporate address	Same as above
6.	E-mail	investors@irfc.co.in
7.	Telephone	011-24361480
8.	Website	<a href="https://irfc.co.in">https://irfc.co.in</a>
9.	Financial year for which reporting is being done	FY 2023-24
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) BSE Limited (BSE)
11.	Paid-up Capital	₹ 13,068.50 Crores (As on 31 <sup>st</sup> March 2024)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Chairman & Managing Director 011-24361480 <a href="mailto:cmd@irfc.co.in">cmd@irfc.co.in</a>
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures are made in this report on a standalone basis.
14.	Name of assurance provider	JointValues ESG Services Pvt. Ltd.
15.	Type of assurance obtained	Reasonable

\*Disclosure on the 9 core attributes as per BRSR core format of SEBI is being covered within this BRSR of the Company.

### II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Other financial service activities, except insurance and pension funding activities	Financial leasing	97.67%

#### 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.	Other financial service activities- Financial Leasing	64910	97.67%

### III. Operations

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

Location	Number of plants	Number of offices	Total
National	-*	01	01
International	-	-	-

\* - Means NIL

#### 19. Markets served by the entity\*:

##### a. Number of locations

Locations	Number
National (No. of States & UT)	36
International (No. of Countries)	-

\*Company is receiving Lease & Interest income from India

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

The Company is registered as a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC –ND-SI) and Infrastructure Finance Company (NBFC- IFC) with Reserve Bank of India (RBI). The contribution of exports to the turnover of the Company was Nil for the financial year 2023-24.

##### c. A brief on types of customers

IRFC a Govt. of India undertaking under the Ministry of Railways (MoR) plays a significant role in funding the Indian Railways. The primary objective of IRFC is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR.

### IV. Employees

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

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

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES*</b>						
1.	Permanent (D)	42	33	79%	9	21%
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total employees (D + E)</b>	<b>42</b>	<b>33</b>	<b>79%</b>	<b>9</b>	<b>21%</b>
<b>WORKERS*</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	<b>Total workers (F + G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Considered regular permanent employees

## b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	01	01	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total differently abled employees (D + E)</b>	<b>01</b>	<b>01</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	<b>Total differently abled workers (F + G)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	3	50%
Key Management Personnel*	4	2	50%

\*Key Management Personnel (KMP) includes CMD (Addnl. Charge), Director (Finance), Chief Financial Officer (CFO) and Company Secretary (CS).

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

Particulars	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	4.88%	-	4.88%	2.56%	-	2.56%	-	3.03%	3.03%
Permanent Workers	-	-	-	-	-	-	-	-	-

## 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)
	NIL	NIL	NIL	NIL

## VI. CSR Details

## 24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): ₹ 26,644.58 Crores

(iii) Net worth (in ₹): ₹ 49,178.57 Crores

## VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes  <a href="https://pgportal.gov.in/">https://pgportal.gov.in/</a>	13	-	-	15	-	-
Investors (other than shareholders)	Yes  <a href="https://irfc.co.in/investors/investor-contact">https://irfc.co.in/investors/investor-contact</a>	1262	-	These complaints pertains to bond/debenture holders.	2051	-	These complaints pertains to bond/debenture holders.
Shareholders	Yes  <a href="https://irfc.co.in/investors/investor-grievances">https://irfc.co.in/investors/investor-grievances</a>	1083	-	These complaints are tracked through SEBI Scores portal, NSE & BSE investor complaint center, Smart ODR portal, Online portal for complaints and Grievances IRFC, emails, letters.	435	-	These complaints are tracked through SEBI Scores portal, NSE & BSE investor complaint center, emails, letters.
Employees and workers	Yes Accessible to Employees through intranet	-	-	-	-	-	-
Customers	-	-	-	-	-	-	-
Value Chain Partners	-	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Financing for green Initiative of Indian Railways - Shift from conventional to electrical locomotive, electrification of railway tracks	Opportunity	Towards achieving India's commitment of NET ZERO carbon by 2070.	-	IRFC shall experience Positive financial implication due to additional Revenue from such financing.
2.	Shifting to paperless environment to further the sustainability	Opportunity	Shifting to digital means of Communication, e – filing system & record management which shall enhance speed, accuracy, efficiency, cost saving, accountability & preservation of records.	-	IRFC shall experience positive financial implication due to cost saving & increase in swiftness of operations.

## SECTION B:

## MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	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	**	**	**	**	**	**	**	**	**
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, Trusts) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company being CPSE enters Memorandum of Understanding (MoU) with Ministry of Railways (MoR) every year under the framework prescribed in MoU Guidelines issued by the Department of Public Enterprises (DPE), wherein Company is evaluated on various financial and non-financial parameters. For the financial year 2022-23, based on its performance, the Company has been rated 'Excellent' by the Department of Public Enterprises (DPE).								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>The Company is committed to developing a suitable ESG framework for the organization. The Board approved ESG Policy covering focus areas, targets, challenges etc, is in place. The ESG policy framework serves as a guiding document for all ESG initiatives and activities undertaken by IRFC. This framework covers IRFC's operations. As per the credit policy of the Company, the evaluation of the project covers the Environmental Appraisal aspect. The analysis of environmentally sensitive projects will address several issues like measurement of environmental impact, cost- benefit analysis, assessment of alternative strategy etc. IRFC follows procurement guidelines for procurement of goods and services. The Company has a comprehensive risk management policy which essentially covers Business Continuity and disaster management Plan. Currently, IRFC has set up a data center where all the applications are hosted. Regular backup of all the critical data is being taken as per the policy of the organization. IRFC has already set up disaster recovery site. The HR Policies of the Company ensure holistic employee wellbeing and benefits, career progression, adequate training, safety and encouragement for women employees and well-defined grievance redressal mechanism, thus ensuring proper governance.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Directors of the Company, led by the Chairman & Managing Director, is the highest authority, instrumental to protect and enhance stakeholders value. In the capacity of trustees, the Board ensures that the Company has a clear vision, mission and goals to fulfil and exceed the expectations of its stakeholders.								
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.	Board of Directors of the Company are responsible for decision making on sustainability related issues.								

Note:

(\*) IRFC being NBFC, this principle has limited applicability.

(\*\*) The relevant explanation/information/links are mentioned in the ANNEXURE to BRSR.

#### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The efficacy of the policies is reviewed on need basis and necessary changes to policies in accordance with applicable law and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Compliance of the various applicable laws and regulations is placed before the Board of Directors subsequent to the compliance certificate is signed by all the Departmental Heads.									On quarterly basis								

	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.	From a best practices perspective as well as from a risk perspective, policies are periodically evaluated and updated by various departmental heads and approved by the Board of Directors/ Chairman & Managing Director. An internal assessment of the working of the policies is done regularly. Also, some of the policies has been evaluated by the Secretarial Auditor of the Company.								

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

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

### PRINCIPLE 1

**Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

#### Essential Indicators

- 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	1	Familiarization programme for Independent Directors (organized by IICA)	100%
Key Managerial Personnel	2	Experiential Learning Programme	100%
Employees other the BOD and KMPs	38	Various technical and financial topics including experiential learning and personal effectiveness which are relevant for day to day work	100%
Workers	-	-	-

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institution	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	1. National Stock Exchange of India Limited 2. BSE Limited	NSE & BSE each levied fine of ₹ 21,53,500/- during FY 2023-24	For the financial year ended on March 31, 2024, the Company has complied with all requirements of SEBI (LODR) Regulations, 2015, the Companies Act, 2013 and rules made thereunder, applicable Secretarial Standards issued by ICSI and DPE Guidelines on Corporate Governance, as amended from time to time, except the number of Independent Directors on the Board were less than half of the total strength of Board as required under Regulation 17(1) of SEBI(LODR) Regulations, 2015. Due to such non-compliances, NSE and BSE each imposed a fine of ₹ 21,53,500/- (including GST of ₹ 3,28,500/-).It is pertinent to mention that in earlier instances of non-compliance of similar nature, BSE & NSE had already waived fine imposed on Company on the similar ground for the period of March, 2021 to December, 2021.	Yes
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-



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

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
<p>In connection with fine(s) levied by NSE and BSE pertaining to the composition of the Board, this is to mention that the power to appoint functional/ Official Part-time Directors/ non-Official Part time Directors (Independent Directors) vests with the Government of India. The appointment of Directors in IRFC is made by the President of India through administrative ministry i.e., Ministry of Railways (MoR) and Company has no role to play in it and the non-compliance is beyond the control of the IRFC. Therefore, the Company has been requesting the appointing authority, i.e., MoR, for appointment of Directors including requisite number of Independent Directors.</p> <p>In view of the above, the Company has requested / is requesting the stock exchanges not to levy fine (s) and waive off the fines already imposed.</p> <p>It is pertinent to mention that in earlier instances of non-compliance of similar nature, BSE &amp; NSE had already waived fine imposed on Company on the similar ground for the period of March, 2021 to December, 2021.</p> <p>The Company is following up with the Stock Exchanges for waiving off the fine(s) w.r.t FY 2022-23 and 2023-24 as well.</p>	<p>1. National Stock Exchange of India Limited</p> <p>2. BSE Limited</p>

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.

IRFC being CPSE follows procedures and norms of CVC regarding anti-corruption and anti-bribery and also the PIDPI Resolution (GOI Resolution on Public Interest Disclosure and Protection of Informers) relating to complaints for disclosure on any allegation of corruption or misuse of office wherein CVC is Designated Agency. Apart from the above, IRFC has also adopted Whistle Blower Policy, which is hosted at <https://irfc.co.in/sites/default/files/inline-files/2.%20Whistle-Blower-Policy.pdf>.

Further, Code of Business Conduct & Ethics, which captures the behavioral and ethical standards to be followed by the Board Members and Senior Management Personnel of the Company also, sets forth an obligation to strive continuously to bring about integrity and transparency in all spheres of the activities & Work unstintingly for eradication of corruption in all spheres of life, which is hosted at <https://irfc.co.in/sites/default/files/inlinefiles/Code%20of%20Business%20Conduct%20and%20Ethics%20for%20Board%20Members%20and%20Senior%20Management.pdf>

The Company also has a Whistle Blower Policy for Directors and Employees to report their genuine concerns or grievances about unethical behavior, actual or suspected fraud or to detect and report any improper activity within the Company.

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

Particulars	FY 2023-24	FY 2022-23
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

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

Not Applicable

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

Particulars	FY 2023-24	FY 2022-23
Number of days of Accounts Payable	NIL*	NIL*

\*IRFC being a NBFC and dedicating financing arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets, accordingly, the company doesn't have the outstanding trade payable, however, the aging schedule of other payables is disclosed in Note No. 14 to accounts.

## 9. Open-ness of business

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

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA*	NA
	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)	NA**	NA**
	b. Sales (Sales to related parties / Total Sales)	NA**	NA**
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	1.064% (4,944.508 crores/ AUM i.e., 4,64,641.28 crores)	Loans to RVNL
	d. Investments (Investments in related parties/ Total Investments made)	100% (53.595 crores/53.595 crores)	(IRCON SHARES)

\*NA means Not Applicable

\*\*IRFC is working on finance lease 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
2	Insights about the benefit available for the MSE's vendor and building good relationships	100%

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.

The Company has a Code of Conduct for Board Members and Senior Management, which covers inter-alia the process of dealing with conflict of interests. The Policy is available at <https://irfc.co.in/sites/default/files/inline-files/Code%20of%20Business%20Conduct%20and%20Ethics%20for%20Board%20Members%20and%20Senior%20Management.pdf>

Further, whenever any director has a direct or indirect stake in an agenda/matter, they would refrain from participating in the discussion. Also, in accordance with laid down provisions of Companies Act, 2013 and SEBI Regulations each director gives the disclosure of his interest in any Company or body's corporate firm, or other association of individuals by giving a notice in writing on annual basis (changes from time to time); and the same is put up to the board.

## 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.

Particulars	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	IRFC does not own any manufacturing facility, thus there are no particulars relating to R&D and Capex.

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

Considering the business activities of the Company, this question has limited applicability. Being NBFC, IRFC's resource use is mainly limited to electricity, office supplies and communication or IT equipment.

Being NBFC, IRFC is less resource-intensive in terms of material requirements. Despite the limited scope, IRFC ensures responsible sourcing of all its material requirements. The Company promotes GeM portal (Government e-Marketplace) in its procurements and promotes sourcing from MSME vendors. All procurement / sourcing of material and services is

done as per the procedure defined in the Procurement Guidelines of the Company.

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

In terms of material requirements, IRFC has made it mandatory to procure common use goods & services available on GeM (Government e-Marketplace) portal, with purchase preference to MII/MSMEs as per Government directives. During the financial year 2023-24, Percentage (%) of procurement from MSME (including MSME owned by SC/ST entrepreneurs) out of total procurement is 77.52%

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.

Given the nature of business and operations, the Company does not have material plastic waste, e-waste and other waste. Further, the Company does not have any hazardous waste.

Disposal of old, unserviceable & obsolete IT equipment's, identified as e-waste, is done through registered Recyclers/ Re-processers under Central Pollution Control Board, Government of India & State Pollution Control Committee Board. Electronic waste, by following Procurement Guidelines of the Company.

The Company has also reduced plastic use to minimal and encourages use of substitutes such as jute bags, cloth bags etc.

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

Not Applicable, since IRFC is a NBFC and is not involved in manufacturing of any kind of product.

### 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)?

Being a NBFC categorized as IFC, the main products offered by IRFC include is to finance the acquisition of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR. We lend funds to MoR and other Railway Entities in order to fuel their growth plan. We have provided loans to Rail Vikas Nigam Limited (RVNL) and IRCON.

IRFC uses a leasing approach to fund Indian Railways' Rolling stock and project assets. The normal lease term is 30 years, with a primary component of 15 years and a secondary component of 15 years. During the primary lease period, the principal component and interest are recovered as part of the lease. Secondary lease period assets are normally transferred to the MoR for a nominal sum at the conclusion of the lease. We have a cost-plus leasing agreement with the Ministry of Railways, which ensures consistent growth in our income and profitability. MoR pays half-yearly lease rentals in advance, which include both principal repayment and interest. The details of leasing, lending and borrowing operations of the Company are available on the website of the Company at <https://irfc.co.in>.

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
Other financial service activities- Financial Leasing	No significant social or environmental concern / risk is envisaged from the Company's business activities.	IRFC is not a manufacturing Company. Further, as per the credit policy of the Company, the evaluation of the project covers the Environmental Appraisal aspect also. The analysis of environmentally sensitive projects will address several issues like measurement of environmental impact, cost- benefit analysis, assessment of alternative strategy etc.

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).

Considering the nature of business and operations, the percentage of recycled or reused input material used by the Company is negligible.

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

Particulars	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	*41
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

\* Denotes number of IT equipment units safely disposed.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.  
Not Applicable

### PRINCIPLE 3

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

#### Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance*		Maternity Benefits*		Paternity Benefits*		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent employees</b>											
Male	33	-	-	33	100	-	-	33	100	-	-
Female	9	-	-	9	100	9	100	-	-	-	-
<b>Total</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>42</b>	<b>100</b>	<b>9</b>	<b>100</b>	<b>33</b>	<b>100</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent employees</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Considered Regular Permanent Employees & details are mentioned as per Policy Coverage.

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent Workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent Workers</b>											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

	FY 2023-24	FY 2022-23
Cost incurred on well being measures as a % of total revenue of the Company	0.0006%	0.0004%

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

Particulars	FY 2023-24			FY 2022-23		
	No of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority(Y/N/N.A.)	No of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority(Y/N/N.A.)
PF	100%	N.A.	Yes	100%	N.A.	Yes
Gratuity	100%	N.A.	Yes	100%	N.A.	Yes
ESI	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Others– please specify	NPS	100%	Yes	100%	N.A.	Yes
	PRMS	100%*	Yes	100%*	N.A.	Yes

\* subject to eligibility conditions prescribed by DPE.

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, the premises are accessible to differently abled employees, with lift facilities, ramps, wheelchair, accessible restrooms.

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.

Being a CPSE, Company follows guidelines issued by Govt. of India in respect of PWD's from time to time.

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%	100%	-	-
Female	-	-	-	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	-	-

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	-
Other than Permanent Workers	-
Permanent Employees	Yes. A detailed grievance redressal mechanism is in place and accessible to the employees of the Company through intranet.
Other than Permanent Employees	-

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

There is no association(s) or unions of employees of the Company.

8. Details of training given to employees and workers\*:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill Upgradation		Total (D)	On Health and safety measures		On Skill Upgradation	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
<b>Employees</b>										
Male	33	-	-	33	100	33	-	-	15	45.45%
Female	9	-	-	8	88.89	8	-	-	4	50.00%
<b>Total</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>97.61</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>19</b>	<b>46.34%</b>
<b>Workers</b>										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Other than Board of Directors & Key Managerial Personnel (KMP)

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

	FY 2023-24			FY 2022-23		
	Total(A)	No.(B)	%(B/A)	Total(C)	No.(D)	%(D/C)
<b>Employees</b>						
Male	33	33	100	33	33	100
Female	9	9	100	8	8	100
<b>Total</b>	<b>42</b>	<b>42</b>	<b>100</b>	<b>41</b>	<b>41</b>	<b>100</b>
<b>Workers</b>						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Considering the nature of business and operations, the occupational health and safety issues are minimal. The Company takes care of health and well-being of its employees by reimbursing in-patient and out-patient medical costs, provision for leaves on medical grounds, rehabilitation policy in case of death or permanent disability, which are applicable for all employees.

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

Not applicable

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

Not applicable

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

No

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill - health (excluding fatalities)	Employees		
	Workers		

\*Company is NBFC.

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

Company is committed to providing a safe and healthy workplace to ensure a culture of safety throughout the organization. Considering the nature of business and operations, the occupational health and safety issues are minimal. The Company takes care of health and well-being of its employees by reimbursing in-patient and out-patient medical costs, provision for leaves on medical grounds, rehabilitation policy in case of death or permanent disability, which are applicable for all employees.

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

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	-
Working conditions	-

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.

Not Applicable

**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)

(A) Employees-Yes, the Company provides rehabilitation package in case of death or permanent disability to the employee and/or his/her family member.

(B) Worker- Not applicable.

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

The Company ensures timely deposit of statutory dues, obtaining of statutory clearances and meeting such other similar obligations as per statutory requirements etc.

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 are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Nil for FY 2023-24 and FY 2022-23



**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)**

The Company is a CPSE, which follows employment norms of DPE in cases of retirement or termination of employment. The Company also provides post-retirement medical benefits and other welfare measures to its retired employees.

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

None

**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.**

Not Applicable

## 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.**

Yes, the Company has mapped its internal and external stakeholders. Internal stakeholders include employees and staff of the Company and external stakeholders include equity shareholders, bondholders, creditors, bankers, borrowers and customers from both public and private sectors, Governmental bodies and regulatory authorities including State Government(s), Reserve Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, Stock Exchanges etc.

**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
Shareholders	No	Email/SMS/Website/Letters/ Telephone/ Newspaper etc.	As and when Investors call is conducted and General Meetings etc.	Communication of financial results, adoption of financial statement and transaction of ordinary and special business from time to time.  Addressing requests/ grievances of shareholders from time to time.
Bondholders	No	Email/SMS/Website/Letters/ Telephone/ Newspaper etc.	As and when Required.	Allotment, Interest Servicing, Redemption Payment, Bond Certificate/Demat Credit. Addressing requests/grievances of bondholders from time to time.
Value Chain Partners	No	Email/SMS/Website/ Letters/ Telephone /GeM, workshops, Awareness programme and other portals of Government.	As and when Required.	Meetings were organized for relationship building updates on key developments in the Company & addressing their issues.

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	Direct interaction, notice board, social media, grievance redressal mechanism, e-mails and journals.	As and when Required.	Facilitating learning & development, communication of various policies, guidelines, aware about key developments in the Company and addressing their issues
Regulatory Bodies	No	MoUs, quarterly progress reports, annual reports, meetings	On quarterly, Annual and Need based	Support government missions, Relationship building, Discussion On major investment plans, Discussions with regulatory bodies w.r.t. regulations, amendments, approvals and assessments.

## Leadership Indicators

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

The Company already has various Board-approved policies in place, to address the economic, and social topics relating to its business. The said policies have been developed over a period of time based on the inputs from relevant stakeholders.

Stakeholder consultations are typically undertaken by respective groups, business heads with relevant company officers. The feedbacks/identified issues of corporate concerns are escalated to the Board-level through various Board committees which oversees aspects like Business risk, CSR & Sustainability, Marketing Strategies & Information Technology Oversight, Planning & Projects, Dispute Settlement etc.

- 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, stakeholder consultation is used to support the identification and management of environmental and social topics. IRFC recognizes the importance of proactive interaction with its stakeholders as it helps the company in

matching their expectation and Building stakeholder trust and confidence. Further, the company consults with its stakeholders on sustainability issues.

- IRFC has a well-defined CSR Policy in line with the Companies Act, 2013 and DPE Guidelines on CSR. In terms of DPE guidelines for the year 2023-24, which mandated CPSEs to spend on the theme of "Health & Nutrition", preferably in aspirational districts, against the same IRFC contributed around 67.27% towards "Health & Nutrition" of total CSR expenditure during the year.
- During the year 2023-24, IRFC undertook various projects in PAN India basis in the field of welfare of community such as providing healthcare facility by way of medical equipment, green energy initiatives, education, environment sustainability, contribution towards various Funds, measures for the benefit of armed forces veterans, war widows and their dependents, etc.

Within Community, the Company takes up specific community development programmes in various districts focusing on Aspirational districts (most backward districts in the country) as identified by NITI Ayog. The company is also undertaking special CSR programmes for Divyangjans, providing skill training to Unemployed youth /SC/ST/OBC/Women & EWS of the society.

- IRFC is socially conscious organization and fully endorses the nine principles of Global Compact enunciated by the United Nations Organization (UNO)

which encompass area of human rights, environment protection and labour rights. These principles of Global Compact are embedded in various organizational policies of the Company thereby facilitating their implementation in a natural way.

IRFC consistently strives towards meeting the expectation of the society through proper planning and decision making that will help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. IRFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same time safeguarding the capacity of the earth to support life in all its diversity.

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

IRFC promotes procurement from MSMEs and extends certain facilities in its procurement procedures to registered MSMEs. IRFC has welfare-oriented policies for its employees, especially those who are vulnerable.

The Company makes efforts on a regular basis to reach out to those equity shareholders and bondholders, who have unclaimed / unpaid dividends amounts/shares or unclaimed redemption interest amounts lying with the Company, so that such investors do not miss out on getting their rightful dues.

## PRINCIPLE 5

### Businesses should respect and promote human rights

#### Essential Indicators

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	42	42	100%	41	41	100%
Other than permanent	-	-	-	-	-	-
<b>Total Employees</b>	<b>42</b>	<b>42</b>	<b>100%</b>	<b>41</b>	<b>41</b>	<b>100%</b>
<b>Workers</b>						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
<b>Total Workers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Considered regular permanent employees

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

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
<b>Employees</b>										
<b>Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Other- Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Other - Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

\*The Company is a CPSE, which follows guidelines of DPE.

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male			Female		
	Number	Median Remuneration/ salary/ wages of respective category	of	Number	Median Remuneration/ salary/ wages of respective category	of
Board of Directors (BoD)	NA*					
Key Managerial Personnel						
Employees other than BoD and KMP						
Workers	-	-	-	-	-	-

\*In accordance with the notification dated June 05, 2015 issued by the Ministry of Corporate Affairs (MCA), Government of India, Government companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013 read with the Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force). Accordingly, the calculation w.r.t. Median remuneration / salary /wages of Board of Directors (BoD), Key Managerial Personnel (KMP) & Employees are not provided.

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

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	25.45%	23.19%

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)

- a) Yes, the Company is committed to provide equal employment opportunities without any discrimination on the grounds of disability, gender, caste, religion, race, state, background, colour, and maintaining a

work environment that is free from harassment based on the above considerations.

- b) Abiding by the provisions of the Minimum Wages Act 1971, the minimum wages paid to the employees and contractors are revised periodically. The salary paid to employees of all categories fulfils all norms of the Act as prescribed.

- c) Being a Government Company and a Central Public Sector Enterprise under the Ministry of Railways, its HR policies reflect the incorporation of Human Rights, which cover all the employees and relative aspects pertaining to Vendors/Suppliers/Contractors through contract conditions.
- d) Further, IRFC 'CDA Rules' also define the desirable and non-desirable acts and conduct for the employees. There is a laid down procedure for actions in case of non-compliance with the defined terms as well as for any inappropriate or unwelcome sexually oriented behaviour.
- e) The Company has a policy towards sexual harassment at the workplace, which has been implemented. All reported cases of sexual harassment are inquired into by an Internal Complaints Committee. Internal Complaints Committees (ICCs) have been constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received on sexual harassment. If proved, disciplinary action is taken in accordance with the Conduct, Discipline and Appeal Rules (CDA Rules) against the delinquent employee. To promote fair and equitable employment relationship, a scheme for Grievance Redressal of employees is also in place which ensures a time bound redressal of grievances.
- f) IRFC has a comprehensive Whistle Blower Policy in place enabling employees to report malpractices such as misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, and matters affecting the interests of the Company with necessary safeguards for the protection of the whistle blower.
- 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**  
Yes. As detailed above

**6. Number of complaints on the following made by employees and Workers:**

Particulars	FY 2023-24			FY 2022-23		
	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	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

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

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

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

Pursuant to the Whistle Blower Policy of the Company, necessary mechanism has been put in place to provide protection to the complainant, wherever required. The Whistle Blower Policy is available at <https://irfc.co.in/sites/default/files/inline-files/2.%20Whistle-Blower-Policy.pdf>

IRFC believes that a sustainable organization rests on the foundation of ethics and respect for human rights. The Company ensures diversity and equal opportunities in workplace and upholds that career advancement is based on talent and performance.

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

The financial relationship of the Company with the Ministry of Railways is based on a Financial Lease arrangement, which is regulated by a standard lease agreement. Human rights requirements do not form part of said lease agreements. To protect the human rights of employees, IRFC has adopted employee- oriented policies, in line with the general laws and sound ethical practices.

**10. Assessments for the year:**

Nil

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

Not applicable

### Leadership Indicators

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

Not applicable

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

Not applicable

**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, the premises are accessible to differently abled visitors, with lifts and ramps, wheelchair accessible restrooms.

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

Nil

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

Not Applicable

### 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:**

The total energy consumption done by IRFC at its own premises for the FY 2023-24 is 58,248 kwh. However, the energy intensity per rupee of turnover (crores) is 0.007, as since IRFC is a NBFC and is not involved in manufacturing of any kind of product.

Further, to save power, the Company purchases LED/ LCD monitors while replacing the old monitors. Employees are encouraged to keep their gadgets in power saving mode, wherever possible. The Company replaces its old electrical items, gadgets, etc. with power efficient units. The internal lightning of office by energy- efficient LED lights has helped to conserve electricity.

**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.**

Not Applicable

**3. Provide details of the disclosures related to water.**

Nil, since IRFC is a NBFC and is not involved in manufacturing of any kind of product, therefore, its water intensity is negligible.

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

Nil, since IRFC is a NBFC and is not involved in manufacturing of any kind of product, therefore, its water intensity is negligible.

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

Not Applicable

**6. Please provide details of air emissions (other than GHG emissions) by the entity.**

Not Applicable, since IRFC is a NBFC and is not involved in manufacturing of any kind of product, therefore, air emission is negligible.

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:**

The total energy consumption done by IRFC at its own premises for the FY 2023-24 is 58,248 kwh. However, the energy intensity per rupee of turnover (crores) is 0.007, as since IRFC is a NBFC and is not involved in manufacturing of any kind of product.

Further, on account of electricity consumption that was 58,248 kwh, Company used the grid emission factor and total scope 2 emission for the reporting year is 46.5 tonnes.

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

Not Applicable. Indian Railways is working on a mission mode to become the largest Green Railways in the world, and is moving to become a 'net zero emitter' before 2030. It is planning to do so through investing in massive electrification, development of freight corridors, energy-efficient and carbon friendly technologies, harness potential of Solar energy etc. to reduce its carbon footprint. IRFC will continue to help MoR to support Governments commitments such as Paris Agreement on Climate Change and UN Sustainable Development Goals, via raising of resources under green framework.

**9. Provide details related to waste management by the entity\*:**

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	NIL	NIL
E-waste (B)	NIL	NIL
Bio-medical waste (C)	NIL	NIL
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	NIL	NIL
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any. (G)	NIL	NIL
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	46 kg**	75 kg**
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>46 kg</b>	<b>75 kg</b>
<b>Waste intensity per rupee of turnover (Total waste generated /Revenue from operations)</b>	NIL	NIL
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)</b>	NIL	NIL
<b>Waste intensity in terms of physical output</b>	NIL	NIL
<b>Waste intensity (optional) – the relevant metric may be selected by the entity</b>	NIL	NIL

**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	NIL	NIL
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

**For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

Category of waste		
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - Yes, IRFC has undertaken reasonable assurance for BRSR core parameters from M/s JointValues ESG Services Private Limited

\*Considering the nature of business, the Company does not generate any material waste.

\*\* The non-hazardous waste generated includes the paper waste which amounts to 46 KG (5% of total procurement considered). However, the waste intensity per rupee turnover(crores) is 0.0017. The waste is handed over to Delhi Municipality on daily basis and disposal of the same takes place by Delhi Municipality.

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.

Disposal of old, un-serviceable & obsolete IT equipment, identified as e-waste, is done through registered recyclers/re-processors under Central Pollution Control Board and State Pollution Control Committee/Board, by following the procedure defined under IRFC's Procurement Guidelines.

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:

The Company is a NBFC. Its registered office is in New Delhi. Office of the Company is not located in ecologically sensitive area.

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

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

IRFC being a NBFC, finances Indian Railways Extra Budgetary Requirements (EBR). In the past, IRFC has also raised resources from off-shore market through issuance of Green Bonds. IRFC will continue to help MoR to support Governments commitments such as Paris Agreement on Climate Change and UN Sustainable Development Goals, via raising of resources under green framework.

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:

IRFC is not a manufacturing company. Hence, the given question has limited relevance. However, the Company complies with applicable environmental regulations in respect of its premises and operations. The Company also does Environment appraisal to analyze any detrimental environmental impact and how to mitigate the same. The factors include the water, air, land, sound, geographical location. The analysis of environmentally sensitive projects addresses several issues like measurement of environmental impact, cost-benefit analysis, assessment of alternative strategy etc.

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



## Leadership Indicators

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

Not Applicable

2. **Please provide details of total Scope 3 emissions & its intensity:**

Not Applicable

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.**

Not Applicable

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:**

IRFC had awarded the contract for implementation of ERP in IRFC including servers for cloud hosting and disaster recovery to M/s RailTel Corporation Ltd. IRFC had gone live with eFile & HRMS module. ERP implementation has minimized paper consumption and manual processes.

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

The Company has a comprehensive risk management policy, which essentially covers Business Continuity and disaster management Plan. Currently, IRFC has already set up a disaster recovery site where all the applications are hosted. Regular backup of all the critical data is being taken as per the policy of the organization.

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.**

IRFC a Govt. of India undertaking under the Ministry of Railways plays a significant role in funding the Indian Railways -"the national operator of railway system". The primary objective of IRFC is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR like Rail Vikas Nigam Ltd, IRCON.

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

None

## 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.**

NIL

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
-	-	-
-	-	-

Further, the Company ensures to protect the interest of its stakeholders.

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.

No adverse orders were passed from regulatory authorities.

### Leadership Indicators

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

IRFC a statutory body under the Ministry of Railways plays a significant role in funding the Indian Railways -"the national operator of railway system".

The Company represents its views through knowledge sharing systems, responses to surveys, feedback on industry needs, among others. The Company regularly interacts with Ministry of Railways, Department of Public Enterprises on various matters.

### 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.

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Not Applicable

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

Investors address their complaints / queries / requests to the Company or to Registrar & Transfer Agent or on the SEBI Scores system i.e., online redressal mechanism. The complaints / queries / requests received from the Investors are mostly in the nature of non-receipt of interest / dividend, non-receipt of bond certificates / non-credit of bonds through electronic mode in demat account, clarification on amount of interest/ dividend, updating of bank details, name correction on bond certificate, issue of fresh interest warrant / dividend warrant in lieu of mutilated warrant, delay in transfer / transmission of bonds, delay in issue of duplicate bond Certificate, rematerialization/dematerialization of shares etc. Complaints are resolved by Registrar and Transfer Agent and in some of the case(s) intervention of the Company is required such as clarification on calculation of interest, revalidation of interest warrant/ dividend warrant and issue of duplicate bond certificate, rematerialization of shares etc. the complaints are resolved within the stipulated time frame. Further, company ensures to protect the interest of its stakeholders.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	77.52%	34.09%
Directly from within India	100%	100%

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

The Company is a NBFC having its registered office at New Delhi. Hence, this question has limited applicability. The Company is a CPSE, which follows guidelines of DPE.

### 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):

Not Applicable

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

State	Aspirational District	Amount spent (Rs. In Lakh)
Assam	Dhubri	5.00
	Goalpara	5.00
	Hailakandi	5.00
Bihar	Aurangabad	4.32
	Begusarai	1.23
	Gaya	1.85
	Nawada	1.23
Chhattisgarh	Dantewada	1.62
Himachal Pradesh	Chamba	17.60
Jammu & Kashmir	Kupwara	66.91
Jharkhand	Bokaro	16.66
	Garwha	4.32
	Godda	0.62
	Gumla	9.20
	Hajaribagh	1.23
	Pakur	1.85
	Palamu	33.94
	Ranchi	0.62
Karnataka	Gadag	13.99
Madhya Pradesh	Damoh	0.62
	Vidisha	5.00
	Shivpuri	1.23
	Sidhi	0.62
	Singrauli	4.32
Maharashtra	Jalgaon	9.64
	Osmanabad	18.04
Odisha	Balangir	2.24
	Dhenkanal	2.24
	Koraput	2.24
	Naupada	2.24
	Nawarangpur	2.24
	Rayagada	7.24
Rajasthan	Karauli	7.82
Uttar Pradesh	Fatehpur	0.62
	Siddhartha Nagar	3.70
Uttarakhand	Haridwar	12.82
West Bengal	Birbhum	2.87
	Dinajpur	2.24
	Nadia	6.99
	Purulia	4.32
	<b>Grand Total</b>	<b>310.66</b>

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

The Company has in place, a Manual for Procurement of Goods, Services and Works, which provides guidelines to expedite decision making process by way of consolidating, simplifying and streamlining the various steps to be followed in the process of award of contracts from the procurement of goods, works & services as well as during its implementation on the ground.

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

IRFC has made it mandatory to procure 100% of common use goods & services valuing upto ₹10 lakh from MSME vendors and also to allow price preference upto 50% to MSMEs, out of which 20% is reserved for SC/ ST and women entrepreneurs. The Company extends various facilities in its procurement procedures to registered MSMEs, such as supply of tender sets free of cost, exemption from payment of earnest money etc.

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

IRFC has made it mandatory to procure 100% of common use goods & services valuing upto ₹10 lakh from MSME vendors and also to allow price preference upto 50% to MSMEs, out of which 20% is reserved for SC/ ST and women entrepreneurs. The Company extends various facilities in its procurement procedures to registered MSMEs, such as supply of tender sets free of cost, exemption from payment of earnest money etc.

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:**

Not Applicable

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.**

No adverse orders were passed in relation to intellectual property related disputes.

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

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	For Improvement of Infrastructure Equipment and solar rooftop system at 07 Andhra Pradesh Vaidya Vidhana Parishad Hospital (APVVP Hospital), 1 Area Hospital, 1 Government General Hospital (GGH) Medical College Located in Krishna District, Andhra Pradesh	~10,000	100%
2.	Armed Force Flag Day Fund (AFFD) for Education and Welfare of Veterans, Widows and their dependents, New Delhi	2500	100%
3.	For procurement of one Ambulance for tribal people of Kanchanpur sub-division, North Tripura, Tripura	~1000	100%
4.	For Public Healthcare program for prevention from vector-borne diseases to be achieved through " free distribution of long-lasting insecticidal net (LLIN) to the backward, under- privileged and marginalized population" at Nalanda, Bihar	3500	100%

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
5.	For creation of Infrastructure facilities for Skin Banking and Microbiome services at AIIMS Bhubaneswar, Odisha	~5000	100%
6.	For development of Humanitarian activities by procurement of medical equipment for Red Cross Blood Bank at Mehsana and Patan District of Gujarat	~2000	100%
7.	For supply and installation of 265 solar street lights in various places of kaushambi, U.P.	~2000	100%
8.	For construction of Girls Hostel (65 Rooms/ G+7 Building) on double occupancy sharing for Nursing and Para Medical students of AIIMS Raebareli, U.P.	~1000	100%
9.	For setting up of 01 Operation Theatres at Sri Sathya Sai Heart Hospital, Ahmedabad, Gujarat	~1000	100%
10.	For cardiac, Dental & Ortho projects Super speciality Building of Bharat Ratna Dr. Babasaheb Ambedkar Memorial Hospital Byculla Mumbai of Central Railway	~5000	100%
11.	For promoting sports culture by way of developing State of the art Cricket stadium to provide coaching and training facility to the youth at Kadi, Mehsana, Gujarat	~1000	100%
12.	Community Health Centre (CHC) Shamlaji Hospital (Govt. of Gujarat) for procurement of ambulance to transfer critical patients from Shamlaji Hospital to higher centre for advance treatment	~1000	100%
13.	To Support for Patient Assistance Program for under-privileged cancer patients at West Bengal	~2500	100%
14.	For supporting 200 Ekal Vidyalaya's in Aspirational Districts of Uttar Pradesh, Uttarakhand, Himanchal Pradesh and Jammu and Kashmir	~5000	100%
15.	For support to identified tribal students at Kalinga Institute of Social Sciences (KISS) Bhubaneswar, belonging to aspirational Districts of Odisha	~400	100%
16.	For setting up SCOT Research lab: Single Cell Omics Translational Research Laboratory at the Department of Medical Sciences and technology at IIT Madras, Chennai, Tamilnadu	~2000	100%

**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.**

IRFC a Govt. of India undertaking under the Ministry of Railways plays a significant role in funding the Indian Railways -“the national operator of railway system”. The primary objective of IRFC is to meet the predominant portion of ‘Extra Budgetary Resources’ (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company’s principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR like Rail Vikas Nigam Ltd, IRCON.

The objective of Fair Practice Code as per RBI guidelines covers in detail a grievance redressal mechanism for consumers to submit their complaints if any. IRFC has a single client business relationship with MoR thus the adoption of the Fair Practice Code lacks relevance in the context of IRFC and the Company has been granted exemption from adoption of Fair Practice Code from RBI.

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

	<b>As a percentage of total turnover</b>
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable

Being a NBFC categorized as IFC, the main products offered by IRFC include is to finance the acquisition of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR. We lend funds to MoR and other Railway Entities in order to fuel their growth plan. We have provided loans to Rail Vikas Nigam Limited (RVNL) and IRCON. The details of leasing, lending and borrowings operations of the Company are available on the website of the Company at <https://irfc.co.in>.

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

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

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

Not Applicable

**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.**

The Company has a comprehensive risk management policy which essentially covers cyber security and related aspects. The policy is an internal document of the Company.

**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.**

Not Applicable

**7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches : Nil
- b. Percentage of data breaches involving personally identifiable information of customers: Nil
- c. Impact, if any, of the data breaches : Nil

**Leadership Indicators**

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

Being a NBFC categorized as IFC, the main products offered by IRFC include is to finance the acquisition of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR. We lend funds to MoR and other Railway Entities in order to fuel their growth plan. We have provided loans to Rail Vikas Nigam Limited (RVNL) and IRCON. The details of leasing, lending and borrowings operations of the Company are available on the website of the Company at <https://irfc.co.in>.

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

The main products offered by IRFC include is to finance the acquisition of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR. We lend funds to MoR and other Railway Entities to fuel their growth plan. We have provided loans only to Rail Vikas Nigam Limited (RVNL) and IRCON, These entities falls under the Ministry of Railways. Thus, considering the business activities of the Company, this question has limited applicability.

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

The Company has a comprehensive risk management Policy which essentially covers cyber crisis management plan. Any disruption on IT services will be reported to the stakeholders as per the directives of RBI's Master Direction of IT Framework for NBFCs.

**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)**

IRFC a Govt. of India undertaking under the Ministry of Railways plays a significant role in funding the Indian Railways -"the national operator of railway system". The primary objective of IRFC is to meet the predominant portion of 'Extra Budgetary Resources' (EBR) requirement of the Indian Railways through market borrowings at the most competitive rates and terms. The Company's principal business therefore is to borrow funds from the financial markets to finance the acquisition / creation of rolling stock assets, leasing of railway infrastructure assets, and lending to other entities under the MoR like Rail Vikas Nigam Ltd, IRCON.

## ANNEXURE TO BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

IRFC conducts its business activities with utmost importance to ethics, transparency and accountability. The Company has various policies and codes in place defining its Ethics and Governance framework, which are in full conformity with the laws applicable to the Company. The said framework includes, and is not limited to, the following policies and codes approved by the Board of Directors of the Company:

Name of the policy	Weblink
<b>Board Diversity Policy</b>	<a href="https://irfc.co.in/sites/default/files/inline-files/Board-Diversity-Policy.pdf">https://irfc.co.in/sites/default/files/inline-files/Board-Diversity-Policy.pdf</a>
Whistle Blower Policy	<a href="https://irfc.co.in/sites/default/files/inline-files/Whistle-Blower-Policy.pdf">https://irfc.co.in/sites/default/files/inline-files/Whistle-Blower-Policy.pdf</a>
Code of Business Conduct and Ethics	<a href="https://irfc.co.in/sites/default/files/inline-files/Code-of-business-conduct-ethics.pdf">https://irfc.co.in/sites/default/files/inline-files/Code-of-business-conduct-ethics.pdf</a>
Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions	<a href="https://irfc.co.in/sites/default/files/inline-files/Related-Party-Transactions-Policy.pdf">https://irfc.co.in/sites/default/files/inline-files/Related-Party-Transactions-Policy.pdf</a>
Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives and for Fair Disclosure	<a href="https://irfc.co.in/sites/default/files/inline-files/Insider-Trading-Policy-New.pdf">https://irfc.co.in/sites/default/files/inline-files/Insider-Trading-Policy-New.pdf</a>
Policy on 'fit & proper' criteria of Directors	<a href="https://irfc.co.in/sites/default/files/inline-files/1.%20IRFC%20FIT%20PROPER%20CRITERIA%20POLICY.pdf">https://irfc.co.in/sites/default/files/inline-files/1.%20IRFC%20FIT%20PROPER%20CRITERIA%20POLICY.pdf</a>
Nomination and Remuneration Policy	<a href="https://irfc.co.in/sites/default/files/inline-files/Nomination-Remuneration-Policy.pdf">https://irfc.co.in/sites/default/files/inline-files/Nomination-Remuneration-Policy.pdf</a>
Policy of Material Disclosure of Events	<a href="https://irfc.co.in/sites/default/files/inline-files/4.%20CORPORATE%20POLICY%20ON%20MATERIALITY%20FOR%20DISCLOSURE%20OF%20EVENTS%20TO%20THE%20STOCK%20EXCHANGES.pdf">https://irfc.co.in/sites/default/files/inline-files/4.%20CORPORATE%20POLICY%20ON%20MATERIALITY%20FOR%20DISCLOSURE%20OF%20EVENTS%20TO%20THE%20STOCK%20EXCHANGES.pdf</a>
Prevention of Documents and Archival Policy	<a href="https://irfc.co.in/sites/default/files/inline-files/Preservation-of-Documents-and-Archival-Policy.pdf">https://irfc.co.in/sites/default/files/inline-files/Preservation-of-Documents-and-Archival-Policy.pdf</a>
Related Party Transaction Policy	<a href="https://irfc.co.in/sites/default/files/inline-files/3.%20RELATED%20PARTY%20TRANSACTIONS%20%E2%80%90%20POLICY%20%26%20PROCEDURES.pdf">https://irfc.co.in/sites/default/files/inline-files/3.%20RELATED%20PARTY%20TRANSACTIONS%20%E2%80%90%20POLICY%20%26%20PROCEDURES.pdf</a>
Dividend Distribution Policy	<a href="https://irfc.co.in/sites/default/files/inline-files/Dividend-Distribution-Policy.pdf">https://irfc.co.in/sites/default/files/inline-files/Dividend-Distribution-Policy.pdf</a>
KYC Prevention and Money Laundering Policy	<a href="https://irfc.co.in/sites/default/files/inline-files/Know-Your-Customer-KYC-and-Prevention-of-Money-Laundering-Activities-PMLA.pdf">https://irfc.co.in/sites/default/files/inline-files/Know-Your-Customer-KYC-and-Prevention-of-Money-Laundering-Activities-PMLA.pdf</a>
Corporate Social Responsibility and Sustainability Policy	<a href="https://irfc.co.in/sites/default/files/inline-files/CSR%20Policy%20-%20Indian%20Railway%20Finance%20Corporation%20Limited.pdf">https://irfc.co.in/sites/default/files/inline-files/CSR%20Policy%20-%20Indian%20Railway%20Finance%20Corporation%20Limited.pdf</a>

### P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

The Company is a NBFC and dedicated financing arm of the Indian Railways for mobilizing funds from domestic as well as overseas Capital Markets. Details of the Company's business activities are available at <https://irfc.co.in/operation/leasing-background>, <https://irfc.co.in/operation/lending-background> and <https://irfc.co.in/operation/borrowing-background>. Further, CSR Policy of the Company is available at <https://irfc.co.in/sites/default/files/inline-files/CSR-Policy.pdf>

### P3 Businesses should promote the well-being of all employees

The Company has adopted various employee-oriented policies in line with the general laws and regulations and sound ethical

practices. Such policies are normally approved by the Board of Directors and are accessible to the employees of the Company.

### P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The Company respects the interest of all its stakeholders, including those who are disadvantaged, vulnerable & marginalized. The Company works towards inclusive growth through its Corporate Social Responsibility & Sustainability Policy approved by the Board of Directors. The CSR & Sustainability Policy is available at <https://irfc.co.in/sites/default/files/inline-files/CSR%20Policy%20-%20Indian%20Railway%20Finance%20Corporation%20Limited.pdf>



## **P5 Businesses should respect and promote human rights**

IRFC strives to safeguard and uphold human rights in all ways possible. The Company has a Code of Business Conduct & Ethics, which captures the behavioral and ethical standards to be followed by the Board Members and Senior Management Personnel of the Company also, sets forth an obligation to strive continuously to bring about integrity and transparency in all spheres of the activities & Work unstintingly for eradication of corruption in all spheres of life.

The Code is approved by the Board of Directors. All Directors & Senior Management members affirm compliance to the same annually. The said Code is available at <https://irfc.co.in/sites/default/files/inline-files/Code%20of%20Business%20Conduct%20and%20Ethics%20for%20Board%20Members%20and%20Senior%20Management.pdf>

## **P6 Businesses should respect, protect and make efforts to restore the environment**

IRFC is socially conscious organization and fully endorses the nine principles of Global Compact enunciated by the United Nations Organization (UNO) which encompass area of human rights, environment protection and labour rights. These principles of Global Compact are embedded in various organizational policies of the Company thereby facilitating their implementation in a natural way.

IRFC consistently strives towards meeting the expectation of the society through proper planning and decision making that will help in achieving a real and lasting reduction of social and economic disparities as well as protecting the environment. IRFC continues to support activities that aim at improving the quality of life of both present and future generations and at the same

time safeguarding the capacity of the earth to support life in all its diversity.

## **P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

IRFC plays an active and responsible role in matters concerning public & regulatory policy. Senior officials of the Company are involved from time to time in implementation of various Government Programmes and initiatives.

## **P8 Businesses should support inclusive growth and equitable development**

IRFC has various policies to support inclusive growth and equitable development of all its stakeholders. The Company has a Manual for Procurement of Goods, Service and Works. In addition to that, IRFC has a Board-approved CSR & Sustainability Policy, which guides CSR initiatives of the Company, many of which are directed towards inclusive growth and equitable development. IRFC's Corporate Social Responsibility and Sustainability Policy of the Company is available at <https://irfc.co.in/sites/default/files/inline-files/CSR-Policy.pdf>

## **P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner**

As per RBI norms, IRFC has a Board-approved 'KYC & Prevention of Money Laundering Policy' which sets out the fair and transparent practices to be followed by the Company in its lending operations, as prescribed under RBI norms. IRFC's KYC & Prevention of Money Laundering Policy is available at <https://irfc.co.in/sites/default/files/inline-files/Know-Your-Customer-KYC-and-Prevention-of-Money-Laundering-Activities-PMLA.pdf>

Note: All policies, code & processes are reviewed by the Board of Directors from time to time.

# Independent Assurance Practitioners' Statement

**To**  
**Indian Railway Finance Corporation Limited (IRFC)**  
**UG - Floor, East tower, NBCC Place,**  
**Bhisham Pitamah Marg, Pragati Vihar, Lodhi Rd,**  
**New Delhi - 110003**

JointValues ESG Services Pvt. Ltd (hereinafter referred to as JointValues) was appointed and engaged by the management of Indian Railway Finance Corporation (hereinafter referred to as IRFC or the Company) for the scope of work of performing an independent assurance if the nine core attributes as mentioned in BRSR Core<sup>1</sup> are materially disclosed by the information provided by the Company from an environmental, social and governance (ESG) perspective in the Business Responsibility and Sustainability Reporting (BRSR) Format<sup>2</sup>, for the 'reporting period' from April 1, 2023 to March 31, 2024, considering related regulation<sup>3</sup> for listed entities issued by the SEBI.

JointValues performed the engagement through a multidisciplinary team of professionals and specialists on topics pertaining to environmental, social, and governance to obtain appropriate evidence to support the professional judgment and to achieve reasonable assurance as the basis of opinion within the scope and boundary of this engagement.

Assurance professionals exercised professional judgement, scepticism, assurance skills and techniques for an iterative and systematic engagement process to form an independent opinion about the underlying subject matter within the scope and boundary of the engagement based on the procedures performed and the evidence obtained.

## Methodology, Scope and Boundary of Assurance

JointValues conducted this reasonable assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial*

*Information* issued by the International Auditing and Assurance Standards Board (IAASB).

JointValues applies and operates a quality management process, including adherence to ethical requirements, professional standards, and compliance with applicable legal and regulatory requirements, in line with the International Standards on Quality Management (ISQM), *Quality Management for Firms that Perform Audits or Reviews of Financial Statements or Other Assurance or Related Services Engagement* issued by IAASB.

During the engagement, the assurance professionals followed JointValues's Code of Conduct, which includes independence and other ethical requirements and aligns with the best practices and the International Code of Ethics (ICE) for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

The scope of this engagement was to provide a Reasonable Level of assurance for nine core attributes as per the BRSR Core format, as stated by the company, that these attributes have been disclosed through the BRSR format.

The boundary of the independent assurance was the environmental, social, and governance-related information pertaining to nine core attributes of BRSR Core disclosed by the Company through the BRSR on a standalone basis and for operations that fall under the direct operational control of the Company's legal structure, with a total of one office location for the reporting period from April 1, 2023, to March 31, 2024.

## Opinion

Based on the reviews and procedures followed, JointValues expresses its opinion that the nine core attributes as per the BRSR Core format, subject to the scope of this assurance, are disclosed by the Company in material respect through the BRSR format for the reporting boundary mentioned above.

<sup>1</sup>Annexure-I in SEBI's circular number SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023

<sup>2</sup>Annexure-II in SEBI's circular number SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023

<sup>3</sup>Regulation 34(2)(f) of SEBI' Listing Obligations and Disclosure Requirements (SEBI LODR).

## Limitations and Exclusions

- Reducing engagement risk to zero is rarely attainable; therefore, “reasonable assurance” is less than absolute assurance.
- Preparing the company’s BRSR information requires management to set or interpret criteria, decide what information is relevant to include, and make estimates and assumptions that impact the reported information.
- Measuring certain amounts and BRSR Core metrics, such as GHG emissions water and energy footprint, involves estimations and inherent measurement uncertainty. Even though we obtain sufficient appropriate evidence to support our opinion, it does not eliminate the uncertainty in these amounts and metrics.
- Evaluation and assessment of any company’s financial performance and data have been out of the scope of this engagement except relying on the company’s third-party audited financial reports wherever materially required concerning nine core attributes of the BRSR core.
- The assurance does not cover the Company’s statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company’s strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the BRSR with reporting frameworks other than those specifically mentioned. This engagement does not consider assessments or comparisons with frameworks beyond the specified ones.

The selection of the assurance approach was based on our judgment, considering the nature, timing, and extent required to assess the risks of the information for material misstatement or deliberate misrepresentation by the company. Our opinion on the continuing effectiveness of the company’s internal controls is out of the scope of this assurance statement. Our responsibilities under those standards are further described in this statement’s “Our responsibilities” section.

## Our Responsibilities

Planning and performing the engagement to obtain reasonable assurance that the disclosures about the BRSR Core are free from material misstatement.

Exercising professional judgement, professional scepticism and assurance skills and techniques as part of an iterative, systematic engagement process.

Forming an independent opinion about the underlying subject matter within the scope and boundary of the engagement based on the procedures performed and the evidence obtained.

## Other Information

We do not express any opinion on any other information in the BRSR or any other report linked to the BRSR, including images, audio files, or embedded videos for the reporting year and any other information or data related to the previous year that we have referred to or received from the Company during this assurance process.

## Responsibilities of Management at the Company

By publishing this assurance statement, the management of the Company acknowledges and understands that they are, inter-alia, responsible for the information provided in the BRSR for:

- Designing, implementing, and maintaining internal controls to ensure the information is free from material misstatement, including preventing deliberate misrepresentation.
- Selecting or establishing suitable criteria for preparing the information, considering applicable laws and regulations, identifying key aspects, engaging with stakeholders, and preparing and presenting the information according to the reporting criteria.
- Disclosing the applicable criteria used for preparation in the relevant report or statement.
- Preparing and calculating the information in accordance with the reporting criteria.
- Ensuring the reporting criteria are available to intended users with relevant explanations.

- Establishing targets, goals, and performance measures and implementing actions to achieve them.
- Providing details of management personnel responsible for the disclosed information.
- Ensuring compliance with laws, regulations, or applicable contracts and preventing fraud.
- Identifying and describing inherent limitations in measuring or evaluating information according to the reporting criteria.
- Selecting the content of the information, including identifying and engaging with intended users to understand their needs.

### Limitation of Liability and Legal Disclaimer

In no event, the assurance agency and assurance practitioners, for the opinion in this assurance statement, shall be liable to any party for any direct, indirect, incidental, compensatory, punitive, special, or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs or losses caused by

negligence) in connection with any use of the content in this assurance statement. This assurance statement is not intended to be produced by any user in any court of law. The assurance practitioners and the agency absolve themselves from legal or other representation to any third party for any consequences arising from using this assurance statement.

### The intended use or purpose of this assurance statement

The information provided by the company related to BRSR Core in the BRSR and our reasonable assurance statement is intended only for users who have reasonable knowledge of the BRSR Core attributes and who have read the information with reasonable diligence and understand that the attributes are prepared and assured at appropriate levels of materiality.

Except for the publication of this assurance statement as it is along with the BRSR as part of the annual report by the Company, this assurance statement is not intended to be used by anyone for the publication of any selected paragraphs or excerpts elsewhere, nor should the design or content be altered for any purpose.

*For and on behalf of*



Joint Values ESG Services Pvt. Ltd.

Sd/-

**J. S. Kamyotra**

Verifier and Assurer

Date: July 29, 2024

Sd/-

**Deepak Baghel**

Quality Reviewer

**Appendix-A: Cross-reference to the Essential indicators in BRSR of the IRFC**

	<b>BRSR Core Attribute</b>	<b>Parameter</b>	<b>BRSR of IRFC</b>
1	Greenhouse gas (GHG) footprint	Total Scope 1 emissions	Principle (P)6, Question (Q)7
		Total Scope 2 emissions	P6, Q7
		GHG Emission Intensity (Scope 1 + 2)	P6, Q7
2	Water Footprint	Total water consumption	P6, Q3
		Water consumption intensity	P6, Q3
		Water Discharge by destination and levels of Treatment	P6, Q4
3	Energy footprint	Total energy consumed	P6, Q1 (Total 58,248 kwh electricity where 1 kwh = 36,00,000 Joules)
		% of the energy consumed from renewable sources	P6, Q1 (Electricity is received from the distribution system in Delhi - a mix of renewable and non-renewable)
		Energy intensity	P6, Q1 (0.007 Billion Jule/Crore Revenue)
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	P6, Q9
		E-waste (B)	P6, Q9
		Bio-medical waste (C)	P6, Q9
		Construction and demolition waste (D)	P6, Q9
		Battery waste (E)	P6, Q9
		Radioactive waste (F)	P6, Q9
		Other Hazardous waste. Please specify, if any. (G)	P6, Q9
		Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	P6, Q9
		Total waste generated (A+B + C + D + E + F + G + H)	P6, Q9
		Waste intensity	P6, Q9
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	P6, Q9
		For each category of waste generated, total waste disposed by nature of disposal method.	P6, Q9
		5	Enhancing Employee Wellbeing and Safety
Details of safety-related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	P3, Q11		
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	P5, Q3(b)
		Complaints on POSH	P5, Q7
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	P8, Q4
		Job creation in smaller towns –Wages paid to persons employed in smaller towns (permanent or nonpermanent /on contract) as % of total wage cost	P8, Q5
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	P9, Q7
		Number of days of accounts payable	P1, Q8
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	P1, Q9

**Signature:** Sd/-

J. S. Kamyotra

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