



Namdev Finvest Private Limited

Har Pal Aap Ke Saath ..



# ESG Report

2023-2024





## The Mission

The NFPL mission is to gain a deeper understanding of specific customer segments and fulfil their financial needs, through customised products and simple processes. We want to become the leading institution nationally and globally in terms of customer choice.



## The Vision

NFPL's vision is to be the lender of choice for families and MSME businesses in rural and semi-urban markets and become a change-agent for those at the bottom of the financial pyramid. NFPL seeks to serve the financially underserved with empathy and a human touch. To become a one-point solution provider by offering customised financial solutions



## Our Values

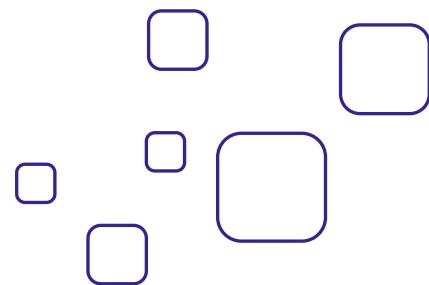
- Best Corporate Governance
- Best Customer Experience
- Regulatory Compliance
- Transparency
- Integrity
- Innovation
- Accountability



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# Message from the Managing Director



**JITENDRA TANWAR**

Managing Director & CEO

Over the past decade, our mission has been clear: to bring financial services to India's underserved communities. Our tagline,

## **Hum Badenge Aapki Duniya**

embodies our commitment to making a lasting, positive impact. As we celebrate this milestone, we remain deeply dedicated to this promise, which goes beyond a slogan — it is a daily commitment to providing the right financial tools and support that empower individuals and businesses to unlock their full potential. Through this dedication, we contribute to the growth and prosperity of our nation, while our focus on sustainability strengthens our mission to promote responsible and inclusive financial practices that drive long-term social, economic, and environmental well-being.

The recognition of climate-related financial risks by the Reserve Bank of India (RBI) has become crucial for stakeholders across the financial sector to take proactive steps in addressing the environmental impacts of their operations and practices. Additionally, with SEBI mandating detailed ESG disclosures for the top 1,000 listed companies starting in FY 2023-2024, sustainability reporting has become a key focus. In alignment with these developments, NFPL has voluntarily embraced a forward-thinking approach by integrating sustainable practices across its operations. This includes financing projects with positive environmental impacts, monitoring greenhouse gas emissions, providing comprehensive ESG disclosures, empowering women, and implementing a variety of other sustainability initiatives. Through these voluntary efforts, NFPL not only demonstrates its commitment to transparency but also aims to lead by example, fostering responsible business practices that contribute to a sustainable future.

We are deeply committed to transparency, accountability, and strong governance, which are fundamental to our operations and overseen by our Board of Directors. Our ESG Policy and Environmental and Social Management System (ESMS) ensure that Environmental, Social, and Governance (ESG) principles are embedded in the very DNA of our organization. We prioritize secure and responsible lending by rigorously screening each project for potential ESG risks, ensuring compliance with both national and local environmental and social regulations.

By embedding sustainability into financial decision-making, we help future-proof businesses against environmental and financial risks. This commitment aligns economic growth with environmental stewardship, creating a win-win for all stakeholders. With the increasing importance of green financing, NFPL is proud to be at the forefront, shaping a future where economic prosperity and environmental responsibility go hand in hand.

At NFPL, we recognize the critical need to prioritize environmental sustainability as part of our commitment to a greener, more resilient future.

Through our green financing initiative, we integrate environmental stewardship into our financial practices, supporting a diverse range of sustainable products, such as solar energy solutions, and electric rickshaws.

Our holistic approach aims to reduce carbon footprints and drive positive environmental change by providing loans to MSMEs, solar projects, and low-carbon transportation, thereby contributing to India's renewable energy targets and the broader goal of a low-carbon economy. While challenges like high initial costs, limited awareness, and regulatory hurdles remain, we believe that collaboration between stakeholders, along with transparent frameworks and investment incentives, can accelerate the adoption of green financing and overcome these barriers.

We believe that true impact is built on a foundation of integrity and compassion. This guiding principle shapes our approach to social responsibility and drives our commitment to making a lasting difference. Our community engagement and CSR initiatives focus on areas such as education, women's empowerment, providing nutritious meals to those in need, conducting plantation drives and addressing poverty in underserved communities.

We are deeply committed to the well-being of the communities where we operate, striving to uplift and create positive change. Additionally, our unwavering dedication to diversity and inclusion has strengthened our organizational culture, fostering a spirit of innovation and creativity across our teams, ensuring we are better equipped to meet challenges and drive sustainable growth.

Finally, I would like to express my sincere gratitude to our esteemed stakeholders for their unwavering trust and confidence in us. Your support has been instrumental in our journey. I also extend my heartfelt appreciation to the entire NFPL team for their exceptional dedication and commitment, which has been key in serving all our stakeholders with excellence. Together, we continue to make meaningful strides toward a sustainable and prosperous future.

# ESG Statement from the Board of Directors

At NFPL, we view sustainability as both a profound responsibility and a transformative opportunity to create lasting value for our clients, communities, and the environment. As the Board of Directors of NFPL, we recognize the significant opportunities and challenges posed by the evolving risk landscape, particularly concerning social and environmental factors. The IPCC highlights that human activities have driven a 1.1°C increase in global temperatures since the late 19th century, with a projected rise of 1.5°C in the next two decades. This global challenge has catalyzed over 190 nations, including our own, to commit to the Paris Agreement, which serves as a pivotal framework for addressing climate-related risks and advancing the Sustainable Development Goals (SDGs).



We look forward to continuing this journey with our stakeholders, driving positive change and fostering a sustainable future for all.





In addition to our sustainability initiatives, Namdev actively supports women empowerment both within our customer base and across our organization. Women entrepreneurs are the backbone of India's resilient economy, with 20.5% of MSMEs being women-led and employing over 27 million individuals. Namdev celebrates this dynamic potential by incentivising Women on processing fees and interest rate, breaking barriers and empowering them to thrive. Beyond financial incentives, we actively foster workplaces that prioritize safe environments, equal pay, and nurturing conditions, reflecting our belief that empowered women empower the nation.



Our journey toward financial inclusion and empowerment has been further strengthened by our esteemed investment partners— Incofin (Incofin India Progress Fund), LHC (Lighthouse Canton), BII (British International Investment), and MI (MAJ Invest Financial Inclusion Fund III K/S). Their invaluable expertise, strategic guidance, and capital infusion have significantly enhanced our ability to expand our reach and amplify our impact, particularly in underserved rural areas of India. These collaborations exemplify our ongoing commitment to building a more inclusive and sustainable financial ecosystem.

At NFPL, we believe in building not just for today but for generations to come. From empowering small businesses to bring them into finance ecosystem, renewable energy to EV financing, from empowering women to embracing digital transformation, we are proud to be a beacon of hope, resilience, and sustainability. Together, let us pave the way for a greener, cleaner, and more inclusive India. **NFPL is not just imagining the future—we are building it.**

**Sanjay Chaturvedi**



# About the Report

## Enhancing ESG Performance

NFPL's ESG Report has been prepared by applying the "in reference" option of Global Reporting Initiative (GRI) currently applicable standards 2021 version, providing a comprehensive overview of our environmental, social, and governance (ESG) initiatives and activities.

ESG is a framework that helps companies consider their environmental impact, relationships with stakeholders, and internal governance. NFPL is taking a proactive approach to ESG by implementing, and fostering diverse workplaces, and improving governance structures. These efforts reflect the growing understanding that business success is linked to environmental and social well-being.

Our ESG report is structured into three key sections:



### Environment

This section details our environmental practices, including various modes of energy consumption and environmental management, compliance with regulations.



### Social

This section explores our social impact, addressing the well-being of employees, local communities where we operate and beyond.



### Governance

This section focuses on NFPL's corporate governance practices, ensuring transparency and accountability.



## Awards and Recognitions

NFPL has consistently demonstrated a commitment to excellence, earning numerous accolades across various categories.

### Leadership & Recognition



#### CEO of the Year

Mr. Jitendra Tanwar, CEO of NFPL, was honored with the prestigious "CEO of the Year 2023" award at the 10th edition of the World Marketing Congress and Awards. This award recognizes his exceptional leadership and contributions to the company's success.



#### Rajasthan Leadership Award

NFPL was honored with the Rajasthan Leadership Award at the 11th edition of the World Marketing Congress and Awards. This award acknowledges the company's leadership position and its significant contributions to the industry.

### Business Excellence



#### Best Grievance Redressal Initiative

NFPL was recognized for its commitment to customer satisfaction by winning the "Best Grievance Redressal Initiative" award at the 3rd DNA Distinguished NBFC Awards.



#### Entrepreneur Excellence Award

NFPL was honored with the "Excellence in Young Entrepreneurship in NBFC" award by My FM (94.3), recognizing the company's entrepreneurial spirit and achievements.

### Social Impact & Recognition



NFPL received the District Service Award from the Rotary Foundation Jaipur, acknowledging the company's contributions to community development and social impact initiatives.



### Employee Recognition

#### Great Place to Work Certification

NFPL Finvest has been certified as a "Great Place to Work," reflecting a positive and supportive work environment for its employees.

### Community Engagement



#### Pride of Rajasthan Award

NFPL received the "Pride of Rajasthan Award" from Dainik Bhaskar, acknowledging the company's significant contributions to the state of Rajasthan.

These awards and recognitions are a testament to NFPL's commitment to excellence in all areas of its operations – from customer service and employee well-being to business growth and community engagement.

# Introduction

## Organizational details

NFPL's journey began in 2013 under the visionary leadership of Mr. Jitendra Tanwar, a first-generation entrepreneur with expertise in rural financing. Established as an NBFC, NFPL was founded to bridge the financing gap for underserved and unserved MSMEs, fostering job creation in rural and semi-urban areas.

Driven by a commitment to the MSME sector, NFPL actively works to expand rural livelihoods by providing financial support that enables businesses to operate seamlessly. This support results in significant social impact, including job creation and enhanced income opportunities. In line with its growth strategy, the company has diversified into EV and Solar loans, aspiring to uplift underprivileged communities and promote sustainable development.

At NFPL, every loan is seen as an investment in transforming lives. Whether funding the purchase of livestock, launching a business, acquiring machinery, or enhancing agricultural productivity, our financing solutions empower individuals to turn their aspirations into reality. Our vision is to build a thriving ecosystem of empowered MSMEs capable of driving transformation in rural India.

Headquartered in Jaipur, NFPL operates across Rajasthan, Madhya Pradesh, Gujarat, Punjab, Uttar Pradesh, Uttarakhand, Delhi and Haryana establishing itself as a pioneer in secure MSME lending. With tailored financial solutions focused on income-generating assets, NFPL promotes financial discipline while improving the livelihoods of its borrowers. By addressing the unique needs of rural and semi-urban customers, we help them achieve their entrepreneurial dreams and create a lasting social impact.



## Our Objectives

-  Empower underserved and unserved MSMEs with tailored financial solutions.
-  Drive job creation and enhance livelihoods in rural and semi-urban areas.
-  Support entrepreneurial aspirations by enabling access to financing.
-  Promote financial discipline through income-generating asset-based solutions.
-  Offer innovative products like EV and Solar loans to foster sustainable development.
-  Uplift underprivileged communities by addressing their financial needs.
-  Build an ecosystem of thriving MSMEs to contribute to the transformation of rural India.



## Our innovative products

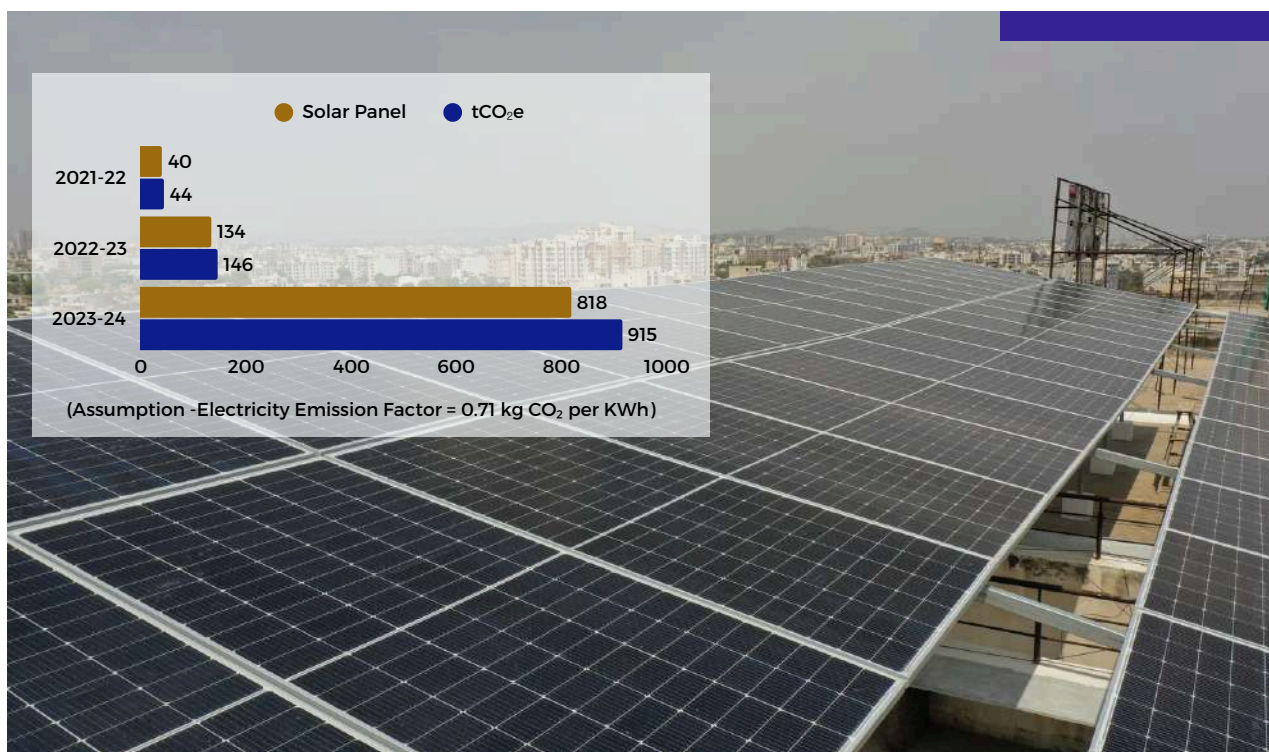
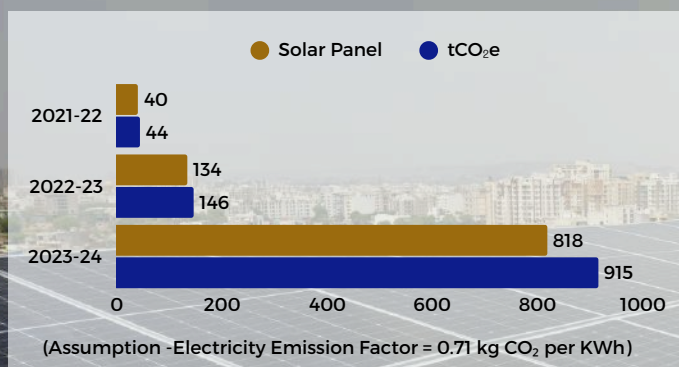
At NFPL, we integrate sustainability into our business. Among other products, we have consistently increased our loans to fund sustainable products like electric rickshaws and solar rooftops.



In the financial year 2022-2023, we financed 369 e-rickshaws, which is estimated to save around 3941 tCO<sub>2</sub>e annually. In this year, we have further financed 4,477 EVs. This is estimated to save around 47826 tCO<sub>2</sub>e annually.

	EV	tCO <sub>2</sub> e
2022-23	369	3941
2023-24	4,477	47826

In 2021-22 we started with a financing of modest installations of approximately 40 kW of solar rooftop panels, which is estimated to save around 44 tCO<sub>2</sub>e annually. Further, in the financial year 2022-2023, we financed the installation of approximately 134 kW additional solar rooftop panel system. This is estimated to save around 146 tCO<sub>2</sub>e annually. In the financial year 2023-2024, we financed the installation of approximately 818 kW Solar rooftop which is estimated save around 915 tCO<sub>2</sub>e annually.



# Corporate Information

This ESG report is NFPL's first and covers the financial period from 1st April 2023 to 31st March 2024.

Corporate Identity Number (CIN) of the Listed Entity	<b>U65921RJ1997PTC047090</b>
Name of the Listed Entity	<b>Namdev Finvest Private Limited</b>
Year of incorporation	<b>1997</b>
Registered office address	<b>S1, S7-8, 2nd Floor, Shree Nath Plaza, Neer Sagar Market, Bhankrota, Jaipur- 302 026, India</b>
Head Office	<b>S1, S7-8, 2nd Floor, Shree Nath Plaza, Neer Sagar Market, Bhankrota, Jaipur- 302 026, India</b>
E-mail	<b>esg@namfin.in</b>
Telephone	<b>+91-141-2250026</b>
Website	<b>www.namfin.in</b>
Assets (Rs.) in Lacs.	<b>1,59,837.28</b>
Name and contact details (telephone, mail ID) of the person who may be contacted in case of any queries on the ESG report	<b>Ms. Umang Lodha Email id: esg@namfin.in</b>

This report covers all of the NFPL offices. While external assurance has not been conducted yet, we want to assure our stakeholders that the ESG data in this report has undergone a rigorous internal review

No restatements of information have been made from previous reporting periods, as this is the first sustainability report being published.

## Branches / Offices



Rajasthan	Gujarat	Haryana	Madhya Pradesh	Punjab	Uttar Pradesh	Delhi	Uttarakhand	Total
69	13	2	18	2	5	1	2	112



## Our Strength-Our Employees

Sl. no.	Employees	Male	Female	Other	Total
1	Full Time Employees	1157	141	0	1298
2	Part-time Employees	0	0	0	0
3	Contractual	0	0	0	0
4	Internships	0	0	0	0

## Governance structure and composition

In ESG reporting, the board plays a crucial role. Our board actively participates in setting the sustainability strategy, managing the risks, and monitoring performance.

The Managing Director and CEO is the chairman of the Board of Directors. The Board meets at regular intervals to discuss and decide on Company/business policies and strategy apart from other Board business decisions. The discussion among the Board members is held in detail, wherein the Board spends considerable time reviewing the information provided to them, which facilitates informed decision-making and effective participation at meetings.

Aside we have various committees in place which are headed by independent directors for recommendation to the Board as described in corporate governance policy.

### Our Board of Directors



**Mr. Jitendra Tanwar**  
Managing Director & CEO



**Ms. Latika Tanwar**  
Director & Co-Founder



**Mr. PH Ravikumar**  
Independent Director



**Mr. Hemant Kaul**  
Independent Director



**Mr. Aditya Bhandari**  
Investor Nominee Director

Our board members hold regular discussions, training, and external expert input meetings. By fulfilling these responsibilities, the board contributes to the company's sustainable future. The Board is responsible for setting strategic directions, and ensuring that sustainability principles are integrated into company strategies, policies, and goals. Senior executives, including the Managing Director and leadership team, are tasked with executing these strategies, fostering a culture of sustainability across the organization, and ensuring alignment with our mission. Regular reviews and updates are conducted to adapt to evolving sustainable development priorities, ensuring continued commitment to empowering the community while achieving 100% compliance and operational excellence.

## Jitendra Tanwar

Board Member ID:	Gender (M/F/Other)	Date of Birth	Designation	Executive or Non Executive Member
05149036	M	26-Nov-1987	Managing Director and CEO	Executive

### Role & Responsibilities

Finance, strategy, planning, technology, governance and risk, management and leadership, exercising the ability to identify key issues and opportunities for the Company, and develop appropriate policies to define the parameters within which the Company should operate.

### Experience

With over two decades of extensive experience in the financial services and vehicle retail sectors, he has been a pivotal force in driving the strategic vision and corporate planning at NFPL. As the Managing Director, he leads the company's risk management initiatives, ensuring robust frameworks for loan origination, risk assessment, and collections. His deep expertise in these areas has been crucial in steering the company towards sustained growth and operational excellence.

## Latika Tanwar

Board Member ID:	Gender (M/F/Other)	Date of Birth	Designation	Executive or Non Executive Member
05349214	F	4-Dec-1990	Director	Executive

### Role & Responsibilities

Marketing, Administration, Infrastructure, Human resource management including workforce planning, and employee and industrial relations; and overseeing large-scale organizational change.

### Experience

With over a decade of experience in the relevant sector, she has been pivotal in promoting ethical practices within the workplace. By fostering a work culture that emphasizes stability and growth, she ensures that the organization not only thrives but also upholds its core values. Her dedication to creating a supportive and ethical environment has been a cornerstone of the company's success.

## P H Ravikumar

Board Member ID:	Gender (M/F/Other)	Date of Birth	Designation	Executive or Non Executive Member
00280010	M	20-Jul-1951	Independent Director	Non- Executive

### Role & Responsibilities

Knowledge and experience in the strategic use and governance of information management and information technology within the Company, Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance, and monitoring risk and compliance management frameworks and systems; Assistance in the appointment and evaluation of the performances of the directors.

### Experience

With extensive experience spanning nearly 40 years in running financial services businesses and a decade as an advisor, he has held several key leadership roles. These include serving as Managing Director at Invent ARC, MD & CEO at NCDEX, Head of Emerging Corporates at ICICI Bank, and various roles at Bank of India.

Currently, he serves on the boards of Aditya Birla Capital, Motilal Home Finance, Bharat Financial Inclusion, KISS Microfinance, FICCO Kisan Finance, and Bharat Forge, among others. His previous board memberships include Federal Bank, Vastu Housing Finance, and Utkarsh Small Finance Bank, among others.

## Hemant Kaul

Board Member ID:	Gender (M/F/Other)	Date of Birth	Designation	Executive or Non Executive Member
00551588	M	23-Feb-1956	Independent Director	Non- Executive

### Role & Responsibilities

Analyse key financial statements; Critically assess financial viability and performance; Contribute to strategic financial planning; Oversee budgets and the efficient use of resources.

### Experience

With extensive experience spanning nearly 40 years, he has significant expertise in leading financial services businesses in India. He was instrumental in setting up the retail banking function at Axis Bank, where he served as an Executive Director. Additionally, he held the position of MD & CEO at Bajaj Allianz General Insurance.

Currently, he serves on the boards of IndiaFirst Life Insurance, Early Salary, Olo Financial Services, and others. His previous board memberships include Karur Vysya Bank, Manipal Cigna Health, and Veritas Finance, among others.

## Aditya Bhandari

Board Member ID:	Gender (M/F/Other)	Date of Birth	Designation	Executive or Non Executive Member
03062463	M	22-Apr-1983	Nominee Director	Non- Executive

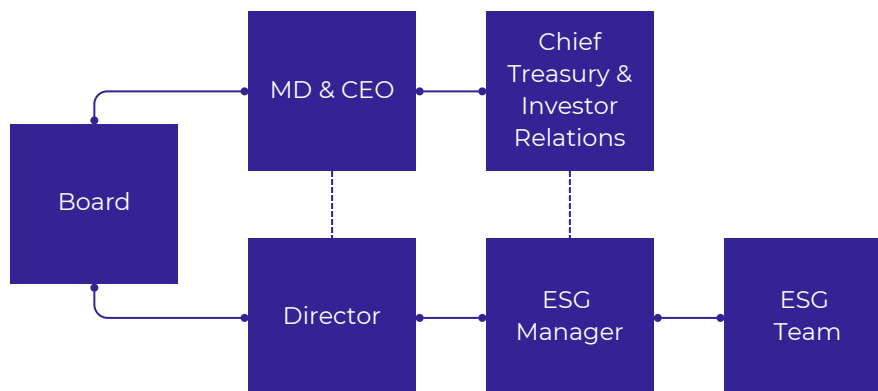
### Role & Responsibilities

Protect the Nominator's Interests, build up relations with the Company, develop appropriate policies to define the parameters and monitor the risk and compliance management frameworks and systems

### Experience

With 17 years of experience, including 9 years at Incofin, he is a seasoned impact investor with a focus on rural finance, MSMEs, fintech, EVs, climate, microfinance, and social investments. His extensive background includes previous associations with Avishkar, Goldman Sachs, and Standard Chartered.

## ESG Organogram



Various committees established for the purpose are stated as below.

## Committees

As per the listing Regulations and DPE Guidelines on Corporate Governance, various Board committees are constituted to focus on specific areas and make informed decisions with the authority delegated to them according to its charter that defines its composition, scope, power and role in accordance with the Companies Act, 2013 and Regulation 18 of Listing Regulations. NFPL also has a dedicated internal ESG advisory committee.

The ESG framework establishes a clear accountability structure for ESG implementation and compliance. A dedicated Advisory Committee, comprising at least two Directors and senior management, will oversee the framework's implementation. This committee will develop policies and processes to integrate ESG principles across the company and report to the Board.

By collaborating with senior management and process owners, the committee will ensure the effective execution of ESG programs.

The committee oversees, reviews, and assesses whether the company's strategy, policies, and initiatives align with macro developments in the ESG domain. It integrates relevant initiatives related to Environment, Health and Safety, Corporate Social Responsibility and Sustainability.

The committee reviews material ESG aspects for the company, oversees the development and implementation of targets, standards, and metrics established by the management to track ESG performance, and approves the company's ESG public disclosures.

Additionally, it monitors stakeholder engagement on ESG issues, reviews feedback from ESG disclosures, and evaluates processes for tracking ESG performance and stakeholder perceptions.

The Company has the following Board Committees:



### **Audit Committee of Board**

As per Companies Act Section 177, this committee assists the Board in overseeing the quality and integrity of the accounting, auditing, and reporting practices of the Company and its compliance with the legal and regulatory requirements.

The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, independence, performance, and remuneration of the statutory auditors, the performance of internal auditors, the Company's risk management policy, etc.

The committee reviewed key assumptions and judgments in the following areas: loan impairment allowances and related management overlays, considering the uncertainties characterizing the internal economic environment and their potential impact on significant increases in credit risk; tax provisions, taking into account the uncertainty associated with the prevailing economic conditions in the country; and the evaluation of financial instruments.



### **Asset Liability Management Committee**

The Company has constituted an Asset Liability Management Committee (ALCO) in line with provisions of the Master Direction – Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023. The ALCO reviews the assets and liabilities position of the Company and gives directions to the finance team in managing the same. The classification of assets and liabilities by the Company into various maturity buckets reflects adjustments for prepayments and renewals in accordance with the guidelines issued by Reserve Bank of India.



### **Nomination & Remuneration Committee**

The committee has been constituted in accordance with Section 178 of the Companies Act, 2013.

#### **Nomination Perspective:**

The committee regularly reviews the structure, skills, and composition of the board and its committees, making appropriate recommendations to ensure effective governance.

It oversees the company's governance framework, board evaluations, ensuring the board possesses the requisite skills and experience to function effectively while complying with corporate governance regulations.

#### **Remuneration Perspective:**

NFPL focuses on attracting, motivating, and retaining employees with the professional, managerial, and operational expertise required to achieve the Company's objectives. The committee reviews human resource policies, salary structures, and incentive schemes benefiting senior management, with inputs and recommendations from the MD & CEO and HR leadership.

The committee evaluates performance and recommends to the board remuneration packages, annual increments, and bonuses for the MD & CEO, executive directors, corporate management, and senior management staff. The organization structure is reviewed annually and adjusted to align with the Company's strategic direction.

The terms of reference of the Asset Liability Management Committee are in accordance with the Guidelines, which inter alia include:

- Understanding business requirements and devising appropriate pricing strategies, management of profitability by maintaining relevant Net interest margin (NIM), ensuring liquidity through maturity matching, ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the Company, management of balance sheet in accordance with Internal policies and applicable regulatory requirements, ensuring the efficient implementation of balance sheet management policies as directed by ALCO and the review reports on liquidity, market risk and capital management.

At present, the Committee comprises four members out of which two members are Independent Directors, one an investor nominee director and one member is a functional Director.



### **Risk Management Committee (RMC)**

The Company has constituted a Risk Management Committee (RMC) in line with the provisions of the Master Direction – Reserve Bank of India (Non-Banking Financial Company Scale Based Regulation) Directions, 2023, read with other circulars and guidelines issued by Reserve Bank of India ('Guidelines') from time to time.

The RMC work covers establishing a comprehensive risk management framework, monitoring and assessing the effectiveness of the bank's risk management processes, and reviewing compliance with internal risk policy guidelines and relevant regulatory requirements. The committee also periodically reviews the risk appetite statement of the institute bank in response to macro and micro economic factors of the country. It is ensured that the financial budgets and business performance of the institute bank are in line with the risk appetite statement. The committee also carries out a series of industry reviews across various sectors to assess the risk levels of these industries for corrective actions to better manage NFPL's bank's lending portfolio.

At present, the Committee comprises three members out of which one member is Risk Head and two members are functional Directors.



### **Corporate Social Responsibility Committee (CSR)**

The Company has constituted a Corporate Social Responsibility Committee (CSR Committee) in line with the provisions of Section 135 of the Act which has substantial roles and responsibilities with respect to projects to be recommended to

the Board and for the monitoring of the CSR projects and reporting. In terms of the provisions of the Act read with amended Companies (Corporate Social Responsibility Policy) Rules, 2014, the 'Annual Report on CSR activities' in the format prescribed under Annexure- B of the said Rules is annexed as Annexure- B to this Board's Report.

The committee is responsible for formulating and recommending to the board a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof.

To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy, recommend to the Board the amount of expenditure to be incurred on the CSR activities, monitor the implementation of framework of CSR Policy, review the performance of the Company in the areas of CSR.

To institute a transparent monitoring mechanism for implementation of CSR projects/ activities undertaken by the company, recommend extension of duration of existing project and classify it as on-going project or other than on-going project, submit annual report of CSR activities to the Board, review and monitor all CSR projects and impact assessment report, carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

At present, the Committee comprises two members; both are functional Directors.



## IT Strategy Committee

The Board constituted the IT Strategy Committee in compliance with the provisions of the Master Direction on Information Technology Governance, Risk, Controls, and Assurance Practices issued by the Reserve Bank of India on November 7, 2023.

The terms of reference for the IT Strategy Committee are guided by the prescriptions of the Master Directions. These include strategic alignment, risk management, resource management, performance management, and Business Continuity/Disaster Recovery Management.

The committee monitors IT strategy and policy documents and reviews processes and practices to ensure IT delivers value to the business. It ensures that IT investments balance risks and benefits and determines the resources required to achieve strategic goals.

The committee also provides high-level direction for sourcing and using IT resources while managing IT-related risks. The terms of reference fully align with the Master Directions and include the following:

- Approve IT strategy and policy documents and review the same from time to time and ensure that the management has put an effective strategic planning process in place;
- Review the assessment conducted by the Chief Information Officer for imparting IT training and completion of such trainings done by the Company's IT senior/middle management, on an annual basis;
- Ascertain that the management has implemented processes and practices to ensure that IT delivers value to the business and ensure that IT investments represent a balance of risks and benefits and that budgets are acceptable; Monitor the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Institute an appropriate governance mechanism for outsourced processes, comprising of risk based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;
- Ensure proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls and evaluate effectiveness of management's monitoring of IT risks through oversight over the proceedings of the Information Steering Committee;
- Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;
- Undertake a periodic review of outsourcing strategies and all existing material outsourcing arrangements;
- Develop sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements;
- Evaluate the risks and materiality of all prospective outsourcing based on the framework developed by the Board;
- Ensure that contingency plans have been developed and tested adequately;
- Ensure that business continuity preparedness is not adversely compromised on account of outsourcing; and
- Periodically review the effectiveness of policies and procedures;



➤➤➤ To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

➤➤➤ Communicate significant risks in outsourcing to the NBFC's Board on a periodic basis;

➤➤➤ Ensure an independent review and audit in accordance with approved policies and procedures;

At present, the Committee comprises four members; two Independent Directors and two functional Directors.



## Internal Committee

### ESG Advisory Committee

This management level committee comprises of minimum two Directors and Senior Management. They will be primarily responsible for implementation of the ESG framework including formulation of policies and processes to enable implementation of ESG structure across the Company.

Regular awareness trainings and branch review on ESG compliance is done on timely basis.

## Conflict of Interest

The Board of Directors employs robust processes to prevent and mitigate conflicts of interest. Each board member is required to submit a conflict of interest declaration annually, ensuring transparency and accountability. Conflicts of interest, including cross-board memberships, cross-shareholding with suppliers and stakeholders, existence of controlling shareholders, and related party transactions, are disclosed. Related party transactions are omnibus approved and reported to the Board on a quarterly basis, fostering transparency and maintaining stakeholder trust in the organization's governance practices.

## Processes to remediate negative impacts

NFPL is committed to providing for or cooperating in the remediation of negative impacts identified as caused or contributed to by the organization. This commitment includes actively engaging with affected stakeholders and implementing corrective actions to restore any harm caused. NFPL has established comprehensive grievance mechanisms to identify and address grievances promptly. These mechanisms include accessible complaint channels, such as online forms, helplines, and in-person consultations, allowing stakeholders to report concerns easily. The organization follows a structured approach to resolve grievances, ensuring fair and impartial investigation and resolution processes.

The Board of Directors at NFPL oversees due diligence processes to identify and manage the organization's economic, environmental, and social impacts. Engaging with stakeholders is integral, as the Board actively seeks input through consultations and feedback sessions to align business practices with stakeholder expectations. The Board evaluates outcomes from these processes, ensuring that insights drive strategic decisions and improvements in sustainability practices, reinforcing NFPL's commitment to responsible business conduct.

The Board of Directors at NFPL regularly reviews the effectiveness of the organization's due diligence processes, typically on a quarterly basis. This review ensures that strategies are aligned with sustainable development goals and that any identified impacts are effectively managed and mitigated.

## Evaluation of the performance of the highest governance body

The processes for evaluating the performance of the highest governance body is in the process, and will be implemented in the next board meeting.

## Annual total compensation ratio

Ratio of the basic salary and remuneration of Men by level (such as senior management, middle management)

S. No.	Management Level	Number of Employees	Total monthly Basic salary	Total monthly Remuneration	Ratio
1	Senior Management	7	1992568	3114668	2/3

Ratio of the basic salary and remuneration of Women by level (such as senior management, middle management)

S. No.	Management Level	Number of Employees	Total monthly Basic salary	Total monthly Remuneration	Ratio
1	Senior Management	4	464831	666790	2/3

## Process to determine remuneration

The Nomination & Remuneration Committee determines the remuneration, compensation, or commission (if applicable) for Executive Directors and Key Managerial Personnel (KMPs) and recommends it to the Board and/or Shareholders for approval, ensuring compliance with applicable legal limits and alignment with the Compensation Policy, including a balance of fixed and variable pay components.

For senior management/officer personnel (SMPs), their reporting KMP decides their initial remuneration or compensation in accordance with the Compensation Policy. The Compensation Committee evaluates performance and revises SMP remuneration annually or during salary appraisals, following the Compensation Policy and the Company's Articles of Association.

## Policy commitments

NFPL's policy commitments are publicly available on the company's website reflecting our transparency and accountability. These policy commitments are approved at the Board of Directors level, the most senior level within the organization, ensuring strategic alignment with NFPL's core values and objectives. The commitments apply comprehensively across all of NFPL's activities and extend to its business relationships, including suppliers and partners, fostering a culture of responsibility throughout the supply chain. NFPL communicates its policy commitments through training programs, internal communications, and stakeholder engagement sessions, ensuring that all workers, business partners, and relevant parties understand and uphold these commitments. Regular updates and feedback mechanisms are in place to reinforce awareness and adherence.

## Embedding Policy Commitments

NFPL integrates its policy commitments for responsible business conduct across its operations and business relationships. Responsibility for implementation is assigned at all levels, with senior management setting strategic direction, middle management ensuring operational integration, and employees upholding these commitments in daily activities.

These commitments are embedded into organizational strategies by aligning them with long-term goals and performance metrics. Operational policies and procedures reflect these commitments, ensuring that all business activities adhere to ethical standards and sustainability principles.

NFPL actively collaborates with business partners and suppliers to uphold responsible conduct. This is enforced through contractual agreements, and joint initiatives.

Comprehensive training programs educate employees, partners, and stakeholders on responsible business conduct, covering ethics, code of conduct, compliance, human rights, and environmental stewardship. Regular compliance training ensures that all stakeholders stay informed about evolving best practices and regulatory requirements.



### ESG and Sustainability policies

NFPL is dedicated to integrating Environmental, Social, and Governance (ESG) principles into its business operations. To ensure adherence to these principles, the company has implemented a comprehensive set of policies:

#### >>> ESG Policy

Outlines the company's overall commitment to ESG and its strategic approach to sustainability.

#### >>> CSR Policy

Details the company's Corporate Social Responsibility initiatives, including community development, social welfare, and environmental conservation.

#### >>> Women Empowerment Policy

Specifically addresses empowering women entrepreneurs, particularly in the MSME sector, through financial inclusion by offering reduced rates and capacity building.

#### >>> Anti-Bribery and Anti-Corruption Policy

Prohibits bribery and corruption in all business dealings, reinforcing ethical conduct and compliance with legal regulations.

#### >>> Policy on Corporate Governance

Ensures good governance practices, including transparency, accountability, and fairness in decision-making and operations.

#### >>> Client Protection Policy

NFPL ensures that clients' interests are well protected by ensuring reasonably priced loans which are best suited and ensuring that personal data is protected.

#### »»» **Grievance redressal policy**

Establishes a mechanism for addressing customer grievances and ensuring fair and transparent resolution of disputes.

#### »»» **Code of Conduct Policy**

Outlines the company's expectations for employee behavior, emphasizing ethical conduct, respect, and compliance with company policies and regulations.

#### »»» **Code of Conduct for Board and Senior Management Policy**

Sets ethical standards and guidelines for board members and senior management to uphold integrity and accountability.

These policies collectively demonstrate NFPL's commitment to responsible business practices, social impact, and environmental sustainability.

## **Communication of critical concerns**

NFPL prioritises open communication and timely resolution of stakeholder concerns. We have a dedicated grievance redressal mechanism in place to ensure all inquiries and issues are addressed efficiently and timely. All concerns are communicated to the Board of Directors in a structured and timely manner, ensuring that any issues are addressed promptly. The organization employs various channels, such as regular board meetings, reports, and direct communication lines, to ensure that the highest governance body is informed of all matters requiring attention.

During the reporting period, no critical concerns were reported to the Board, reflecting effective risk management and operational oversight within the organization.

The grievances/feedback are to be reported through well channeled grievances redressal mechanism. Grievance communication can be through mail, telephone or through the complaint box. To ensure effective communication, NFPL assigns a dedicated official to handle stakeholders correspondence and inquiries. We are committed to fostering transparent and responsive governance. For the past financial year (2023-24), NFPL has successfully resolved all shareholder issues and complaints.

The Whistleblower Policy has been developed to foster transparency within our organization, providing employees and stakeholders with a platform to report any Protected Disclosures that may not be adequately addressed through the regular protocols of Supervisory intervention or Grievance redressal.

This policy encourages individuals to come forward with concerns related to corruption, misuse of office, criminal offenses, suspected or actual fraud, non-compliance with rules and regulations, and actions that may result in financial loss, operational risk, or damage to our reputation, covering violations of Law, Financial irregularities including insider trading, Matters of misconduct, negligence integrity, conflict of interest, authority, Sabotage, inflicting reputational or financial loss to organization or any such matters that involve a wrong doing at the cost of the Organization. Such matters can be detrimental to the interests of our customers and the public.

## **Compliance with laws and regulations**

We adhere to all relevant legal requirements pertaining to ESG, including Companies Act, NBFC and RBI regulations, and labour, safety, and environmental laws. We have robust monitoring and measurement systems in place to ensure compliance. NFPL ensures transparency in its compliance with laws and regulations by providing detailed information on instances of non-compliance. There is no fine nor any instance of monetary sanctions for non-compliance in the reporting and previous periods.

We have active monitoring and measurement system in place to compliance through a new software "**Komrisk**" which ensures timely compliance with the relevant legal regulatory changes and thus minimizes the legal and compliance risk.

Significant instances of non-compliance are determined based on factors such as the severity of the violation, the impact on stakeholders, the financial and operational repercussions, and any associated regulatory fines or sanctions. The organization assesses these factors to prioritize issues that require immediate attention and remedial action. Statutory and legal compliances include adherence to applicable RBI Guidelines such as KYC, AML and Fair practice Code, compliance to Shops & Establishment Act, POSH and return filing and other forms at MCA and Income Tax.

## Approach to stakeholder engagement

Stakeholder Engagement Plan (SEP) is part of our ESMS which outlines identification of stakeholders, their influence and interest levels. It also outlines communication with stakeholders and helps to manage stakeholder relationships with customers, investors and other stakeholders.

S. No.	Stakeholders	Whether identified as vulnerable or marginalized group (Yes/No)	Channels of communications (Email, SMS, Newspaper, Pamphlet, Advertisement, Notice, Board, website, others)	Frequency of engagement (annually, half yearly, Quarterly, Monthly, others- please specify)	Expected Outcome	Engagement Platform
1	Customers	Yes, if they qualify based on specific criteria such as income, gender etc.	Physical- Branches, notice board, pamphlets, personal visits, letters Digital/ Electronic- Mobile app, website, email, SMS, customer care	Need Basis	<ul style="list-style-type: none"> <li>Access to safe, non-discriminatory and responsible loan services with transparent pricing</li> <li>Products and services that meet customer needs</li> <li>Seamless transactions across different platforms with 100+ Branches in different cities.</li> </ul>	<ul style="list-style-type: none"> <li>Over the counter- Branch &amp; Offices</li> <li>Telephonically- Customer care facility.</li> <li>Customer satisfaction surveys and feedback.</li> <li>Customer Grievance Policy.</li> <li>Fair Practice Code.</li> <li>Written and Verbal communication</li> </ul>
2	Employees	No	Direct interactions and other communication mechanisms such as email, SMS, HRMS portal & App., webinars, awards & recognition programs, appraisal process, employee engagement initiatives	Regular and need basis	<ul style="list-style-type: none"> <li>Employee health, safety and well-being.</li> <li>Create a culture that encourages ethical practices, corporate games, promotes meritocracy and rewards high performance.</li> <li>Professional development of our employees through timely trainings and providing growth opportunities</li> <li>Diverse and inclusive workplace where all employees are treated equally.</li> <li>High governance standards with policies around corruption, child labour, human rights etc.</li> </ul>	<ul style="list-style-type: none"> <li>Company has HR Manual for Employees.</li> <li>Internal meetings and town halls.</li> <li>Performance discussions and periodic reviews.</li> <li>Training and development workshops.</li> <li>Learning initiatives and knowledge series.</li> <li>Workplace safety, health and engagement initiatives.</li> <li>Feedback and Surveys</li> </ul>

S. No.	Stakeholders	Whether identified as vulnerable or marginalized group (Yes/No)	Channels of communications (Email, SMS, Newspaper, Pamphlet, Advertisement, Notice, Board, website, others)	Frequency of engagement (annually, half yearly, Quarterly, Monthly, others- please specify)	Expected Outcome	Engagement Platform
3.	Directors	No	Direct interaction, Email and phone calls	Regular and need basis	<ul style="list-style-type: none"> <li>• Ensure the company's long-term, sustainable success.</li> <li>• Holds the greatest influence over corporate governance.</li> <li>• Responsible for its overall management, agenda, effectiveness, and flow of information.</li> <li>• To consider the impacts and interests of all stakeholders while generating value for shareholders.</li> </ul>	<ul style="list-style-type: none"> <li>• Timely meetings to review performance, establish/refine high level strategy, purpose, culture, and values, establish governance frameworks.</li> <li>• Advisory and Strategic Meets.</li> <li>• Board and Committee Meetings.</li> <li>• Circular Resolutions.</li> </ul>
4.	Regulators and Government	No	Email, personal visit, letters	Need basis	<ul style="list-style-type: none"> <li>• Implementation of various social security schemes.</li> <li>• Compliance with all relevant laws and regulations.</li> <li>• Responsiveness towards regulatory changes.</li> <li>• Customer privacy and data security.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings - onsite and offsites.</li> <li>• Policy updates, circulars, guidelines and directives.</li> <li>• Mandatory and timely filings of information to regulators.</li> <li>• Various Government schemes and policies.</li> <li>• Various intimations regarding Corporate Actions.</li> </ul>
5.	Partners and Associates	No	Regular meetings, emails. SMS, phone calls	Ongoing and need basis	<ul style="list-style-type: none"> <li>• Ensure effective communication for quality and efficient service.</li> <li>• Maintain transparency in all the disclosures and interactions.</li> <li>• Resolution mechanisms and frameworks for handling of differences and disputes.</li> </ul>	<ul style="list-style-type: none"> <li>• Regular online and offline meetings.</li> <li>• Phone calls and followups.</li> </ul>

S. No.	Stakeholders	Whether identified as vulnerable or marginalized group (Yes/No)	Channels of communications (Email, SMS, Newspaper, Pamphlet, Advertisement, Notice, Board, website, others)	Frequency of engagement (annually, half yearly, Quarterly, Monthly, others- please specify)	Expected Outcome	Engagement Platform
6.	Society	Yes	Direct and through implementing agencies	Ongoing and need basis	<ul style="list-style-type: none"> <li>Contribution towards various causes/programmes for skill development, safe and drinking water, education and healthcare etc.</li> <li>Productive use of CSR activities.</li> <li>Responsible for impact on economy and society positively through lending and transactional products.</li> <li>Proactive involvement in community development rural regions</li> </ul>	<ul style="list-style-type: none"> <li>CSR initiatives at multiple locations direct or through implementing agencies.</li> <li>Social activities like blood donation camps, Health check-up camps.</li> <li>Social media communication platforms.</li> <li>Regular meetings and interventions.</li> <li>Financial Literacy Programme.</li> <li>Project monitoring and reviews.</li> </ul>
7.	Environment	No	Direct	Ongoing and need basis	<ul style="list-style-type: none"> <li>Integration of Environment, Social and Governance (ESG) factors into business decisions.</li> <li>To use our resources to promote social and environmental issues as well as other common agendas to build a thriving society.</li> <li>Build an operating ecosystem to track and measure energy consumption.</li> <li>Ensure end use of products offered in consonance of environment policies.</li> </ul>	<ul style="list-style-type: none"> <li>Social media.</li> <li>Internal and townhall meetings.</li> <li>Campaigns and promotions.</li> <li>Reports and publications.</li> </ul>
8.	Investors and Shareholders	No	Annual General Meeting, Annual Report, Website, Quarterly Earning Calls, Regular investor meetings/ calls, Stock Exchange Disclosures, Social/Print Media	Frequent and as per regulatory requirements	<ul style="list-style-type: none"> <li>Sound risk management and compliance.</li> <li>Sustainable shareholder value.</li> <li>Strong governance and transparency.</li> <li>Responsible business practices.</li> <li>Effective and timely communication.</li> </ul>	<ul style="list-style-type: none"> <li>Timely financial updates.</li> <li>Investor meetings and presentation</li> <li>Public disclosures.</li> <li>Annual General Meetings/Extra-ordinary General Meeting.</li> <li>Investor Meets.</li> <li>Annual Report.</li> </ul>





## Process of Materiality Assessment

Materiality Assessment starts with the identification of actual and potential negative and positive impacts across the value chain and the stakeholders who are affected.

To develop this report, we implemented a two-stage methodology:


### Stage 1

#### Data Collection from Existing Documentation

-  We identified relevant indicators aligned with GRI standards.
-  We gathered information from existing NFPL documents to populate a structured matrix.

### Stage 2

#### Stakeholder Engagement

-  We conducted interviews, observations, and group discussions with key personnel, including department heads, key department representatives and employees.

NFPL champions sustainable development, fostering economic growth, job creation, and decent work practices. We've achieved business expansion while prioritizing environmental and social responsibility.

The present Corporate Social Responsibility (CSR) initiatives aim towards enhancing livelihood skills, diversification of livelihoods, and improving sanitation among the local communities.

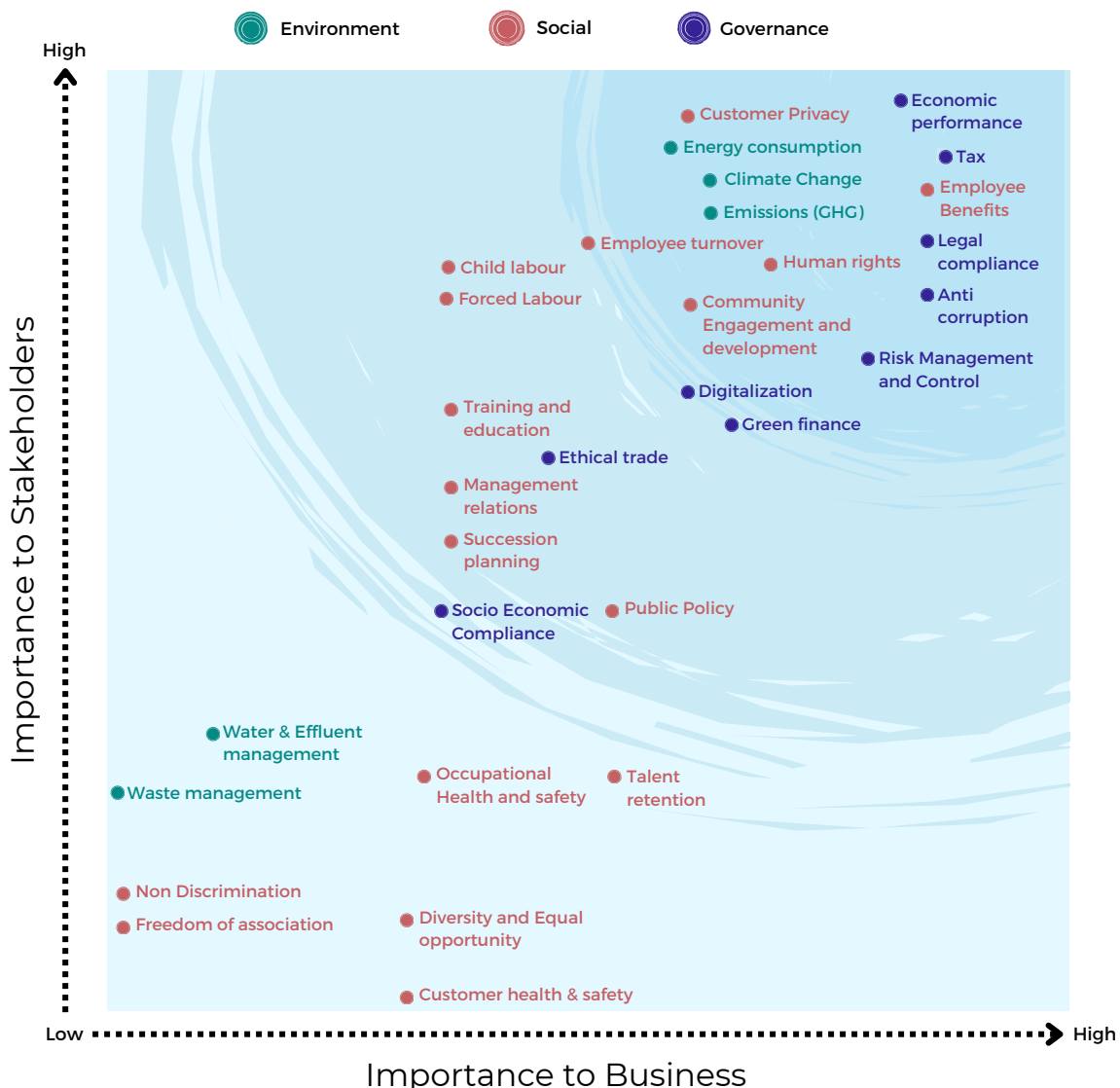
Along with the CSR initiatives, NFPL strongly focuses on the overall welfare and safety of employees. This concern is reflected through the guidelines on ethical practices followed in the workplace and other welfare initiatives.



# Materiality Assessment

Companies have many topics that could be reported on, but only some are truly important and crucial to be focused on at this juncture. A good sustainability report focuses on topics that significantly impact the company's economic, environmental, and social performance, or that influence stakeholders' decisions and benefits. 'Impact' here refers to both positive and negative effects on the economy, environment, and society as a whole. Even if a topic only affects one of these areas, it can still be important to report on.

The materiality assessment chart describes the material topics- its importance to the business and the stakeholders. for example, a topic which is important to both business and the stakeholder will move to the top right and a topic which is not important to the stakeholders and the business will occupy a place in the bottom left. These topics significantly impact their business (economic), the environment, and society (people). Not all material topics are equally important and critical in the time frame.

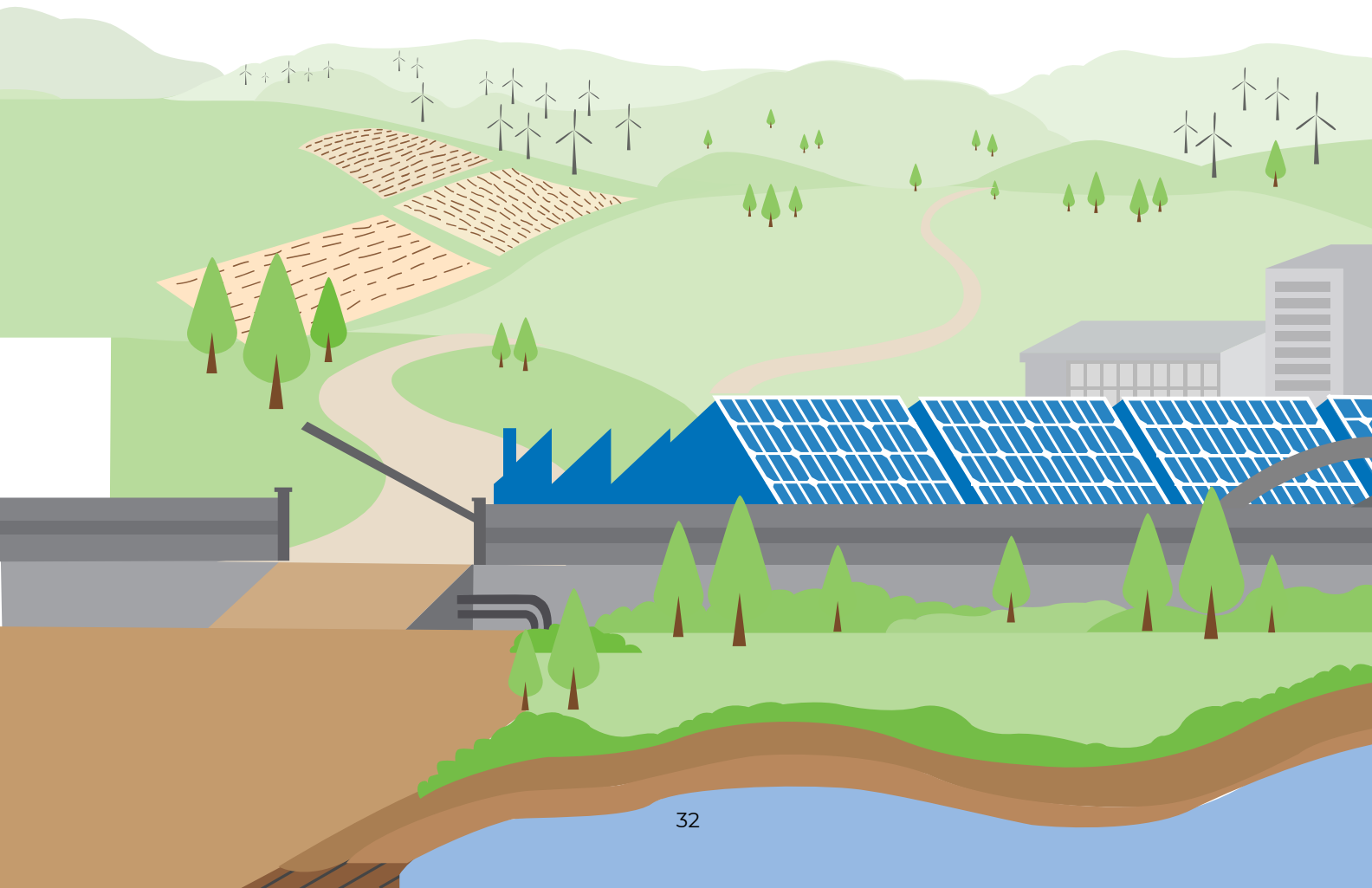


## Environmental, Social, and Governance (ESG) Practices

The company integrates ESG principles into its operations. The company has integrated sustainability into its core operations and values. Sustainability is not just an add-on or a marketing strategy but a fundamental aspect of how the company does business. By adopting ESG practices, the company goes beyond just profits. We see ourselves as a responsible member of society who actively contributes to the well-being of communities and the broader world.

NFPL has established a comprehensive framework of policies aimed at mitigating the negative impacts associated with environmental, social, and governance (ESG) factors. These policies are designed to ensure responsible business practices, promote sustainability, and uphold ethical standards across all levels of the organization.

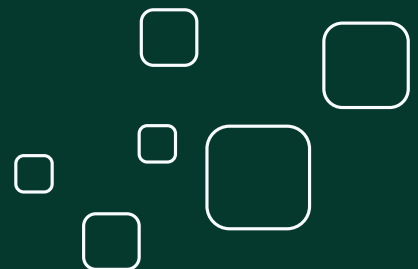
To foster a culture of awareness and accountability, NFPL conducts regular and periodic training programs for all employees. These training sessions are structured to enhance understanding of key material issues, including climate change, resource conservation, ethical labor practices, corporate governance, and social responsibility. By educating employees on these critical aspects, NFPL empowers them to integrate ESG principles into their daily operations and decision-making processes.





# ENVIRONMENT

As a financial institution with a multi-state branch network, we recognise that our most substantial environmental impact stems from our value chain.



## Minimising Adverse Environmental Effects

For us at NFPL, the most material environmental topics are energy consumption and GHG emissions. As a financial institution with a multi-state branch network, we also recognise that substantial emission is also emitted from our employees' commute.

The company's commitments to ESG goes beyond just following the statutes and regulations. We actively participate to minimise our environmental footprint to create a positive and sustainable societal impact.

As outlined in the ESG Policy the overall approach of NFPL for environment protection is driven towards greater use of technology, energy consumption, water conservation and E waste management.

## Energy consumption

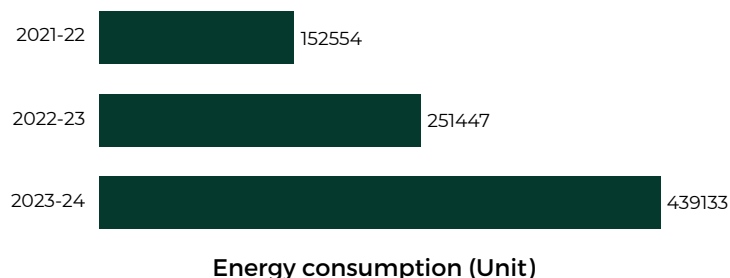
As a part of our Green financing, NFPL represents a holistic approach to integrating environmental stewardship into financial practices. By supporting a diverse range of sustainable products like EV-Rickshaw and solar rooftop panels, NFPL aims to drive positive environmental change and contribute to a more sustainable future saving tonnes of CO<sub>2</sub>.

NFPL is working towards LEED certification for its corporate office in Jaipur, demonstrating its commitment to sustainability. The certification focuses on energy efficiency, water conservation, sustainable materials, and indoor air quality, aligning with the company's environmental goals and creating a healthier workspace for employees.

Our energy consumption mainly arises from the electricity powering our office. Our electricity is sourced from the main grid. Electricity is mainly used for lighting, air-conditioning and IT infrastructure.

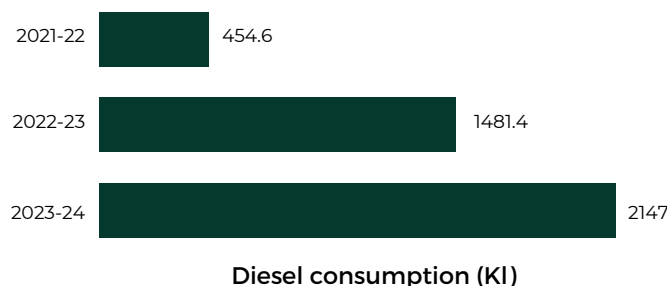
### 439133 kWh

of electricity from the grid was consumed during the reporting year.



### 2.1 KI

of diesel which was used for emergency power diesel generators.

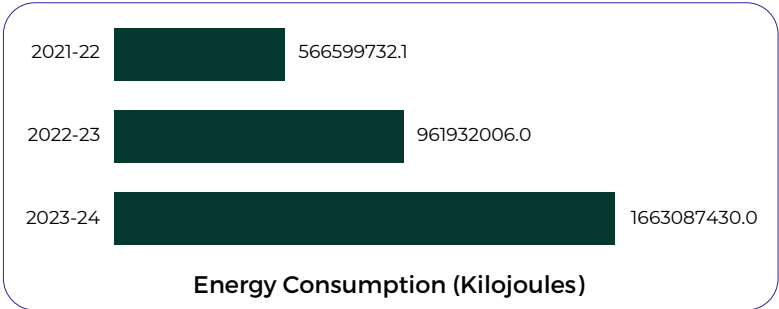
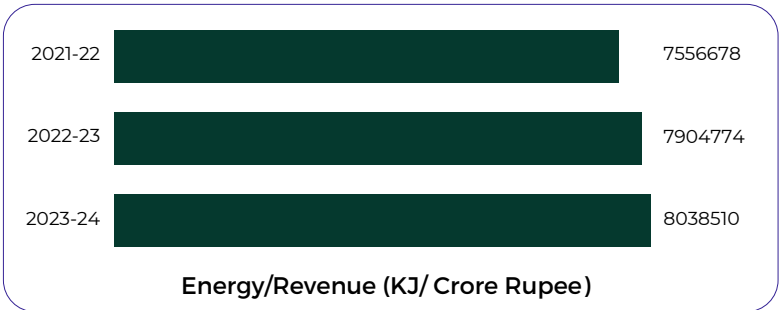


Note: Our electricity consumption for 2021-22 and 2022-23 are estimated based on the bill amount paid. From 2023-24 onwards, our electricity consumption is directly taken from the monthly bills from our offices.



Energy Intensity

We are aware that our energy consumption has significantly increased in comparison to the previous years. To offset the negative impact, we are taking steps to increase our consumption of energy from renewable sources.



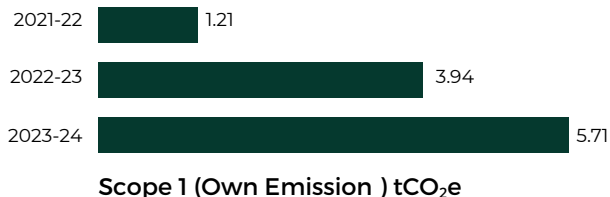
## Climate Change and GHG Emissions

Greenhouse emissions are the major cause of global warming and the subsequent climate change related disasters which not only affect people but the entire environment we share with other living forms.

### Scope 1 emission

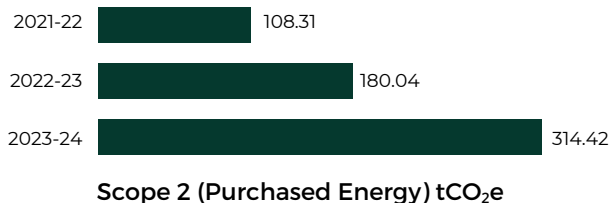
Scope 1 emission arises from the stationary and mobile emissions. NFPL has reported the emissions from the stationary source by the diesel used in the diesel generator.

NFPL will be reporting the emissions arising from the use of the fossil fuel for company controlled vehicles in the next year.

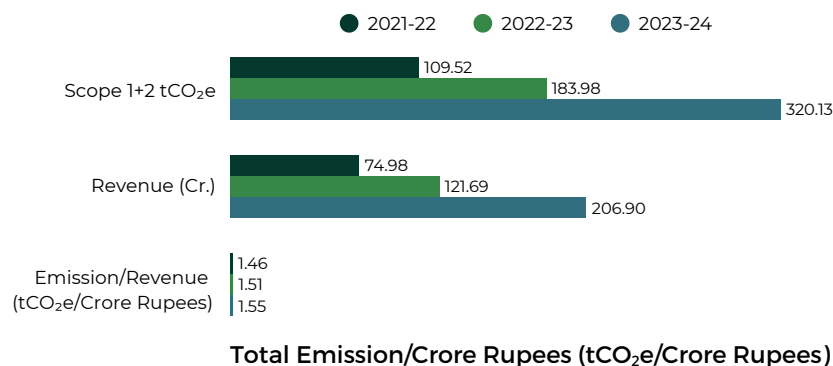


### Scope 2 emission

Our scope 2 emission arises from the use of purchased electricity for lighting and air conditioning in our offices.



### Emission Intensity



We are taking action to mitigate our negative impact on the environment. We are in the process of installing solar rooftop panels at our new building. Our new building office is also proposed to be LEED certified. This will reduce our impact on the emission and reduce the purchased electricity consumption and subsequent scope 2 emission.



## 5000

trees have been planted

Further, we have started a plantation drive aimed at planting approximately 10,000 trees to compensate for our emissions. Currently about 5000 trees have been planted. This is expected to sequester approximately 100tCO<sub>2</sub>e in the year being reported.



## Scope 3 Emission

The scope 3 emission arises from the employee commute. Our employees travel using variety of modes of transportation - like two wheelers, four wheelers, and other forms of public transport including public buses, taxi, train, three wheelers, metro etc. NFPL has carried out a survey among the employees to obtain data on commute distance and the commute mode. Based on the results of the sampling exercise carried out and extrapolating it to the total employees, the emission for employee commute has been estimated to be 885 tCO<sub>2</sub>e.

The scope 3 emission from employee commute in 2024 is estimated to be

**885 tCO<sub>2</sub>e**

## Waste

Our business operations primarily generate paper waste, which is responsibly disposed off through approved waste collectors. To minimize paper consumption, we have implemented measures such as double-sided printing and actively monitor and measure paper usage.

We are transitioning toward a paperless approach by leveraging technology and adopting digital tools for loan processing and agreements. Employees are encouraged to prioritize digital alternatives and reduce paper usage wherever possible. These initiatives reflect our commitment to sustainability and efficient resource management.



**Electronic waste(E-waste)** generated by the Company is disposed off via the State Pollution Control Board (SPCB) registered recycler. We ensure that no hazardous electronic waste is sent from the Company to the landfill. We have an agreement in place with SPCB-authorized recycler for the disposal of E-waste. The present E-Waste- stock is 50 kg. As per our ESMS, E-waste disposal will start when the total weight reaches 300kg.

We provide separate bins to ensure segregation of wet waste and dry waste in the office leading to efficient solid waste management. It is ensured that any biomedical or hazardous waste (if generated) is not mixed with the domestic waste.

**NFPL is committed to eliminating single-use plastics in the workplace.**

**To achieve this, the use of plastic plates, cups, glasses, cutlery (such as forks, spoons, knives), and straws is strictly prohibited.**

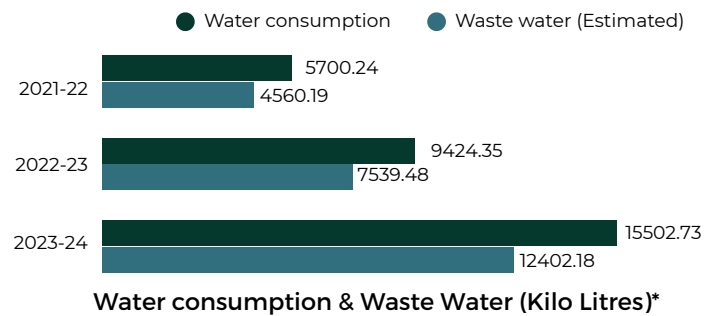


Additionally, all plastic bottles and cups have been replaced with metal or glass alternatives. These measures ensure effective management of plastic waste, contributing to a more sustainable environment.

The quantity for general waste disposed through municipal authority is not currently monitored. We are in the process of developing a proper system to measure the quantity generated.

## Water

Water is a precious natural resource. Water is not used in any of our processes and is used for domestic purpose only. However, due to the importance of water conservation, we consider it our environmental responsibility to track our water consumption.



Regular awareness training and branch review on ESG compliance is conducted on a monthly basis. All NFPL employees undergo training on implementing ESG practices both in operations and within the office environment.

NFPL has placed banners and posters on its premises to raise awareness about judicious water and electricity consumption, waste management, etc.

.....  
 \*(Water consumption- This is an estimated calculation @45 litres per capita per day as per National Building Code 2016. Waste Water - Assuming 80% of water supply is converted into wastewater as per NITI Ayog 's report on Urban Wastewater Scenario In India)





# SOCIAL

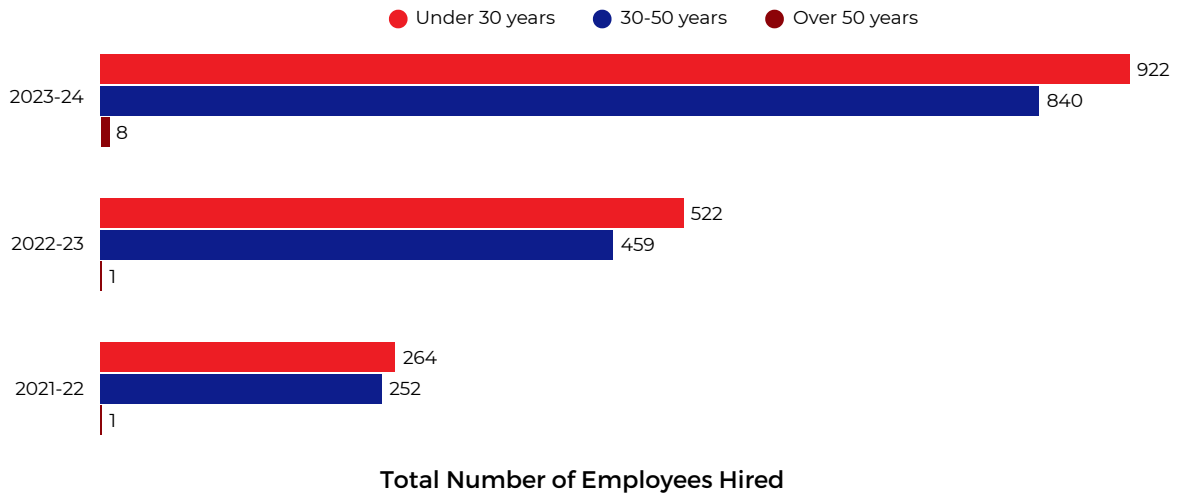
Our approach to social responsibility, encompassing our commitment to ethical business practices, promoting financial inclusion, and supporting community development. We believe that social responsibility is an integral part of our business strategy and contributes to our long-term success.



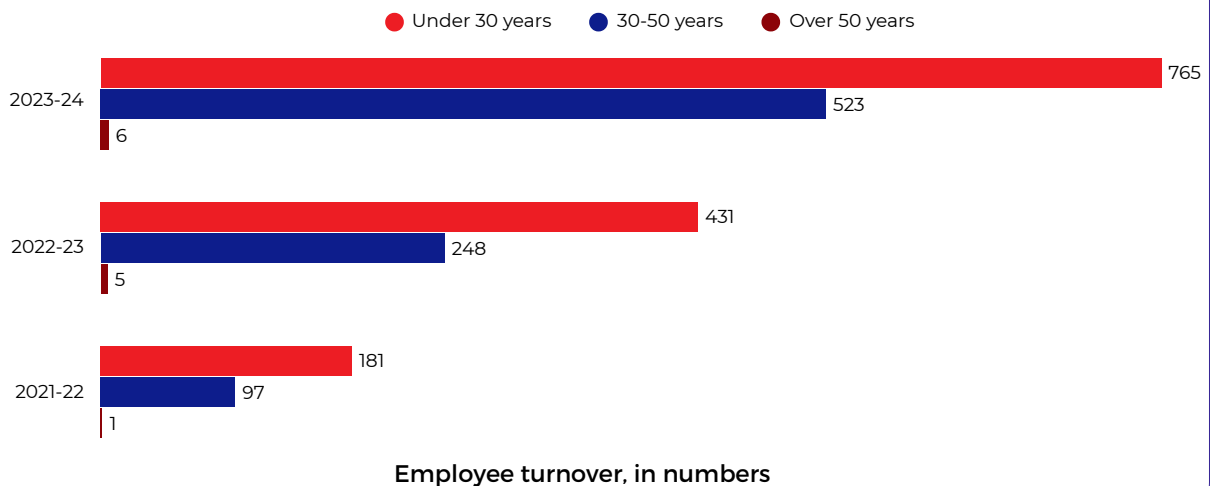
## Employment



### New employee hires



### Employee turnover, in numbers



## Benefits provided to full-time employees that are not provided to temporary or part-time employees

We value our employees and their contributions. To demonstrate this commitment, we provide a robust benefits package that includes ESOPs, Group Medical Insurance, ESIC Coverage, Gratuity, Provident Fund facilities. to enhance their financial security and overall well-being.

## Parental leave data

Benefits	Parental leave					
	Entitled to parental leave, by gender	Took parental leave, by gender	Returned to work in the reporting period after parental leave, by gender	Returned to work after parental leave that were still employed 12 months after their return to work, by gender	Return to work and retention rates of employees that took parental leave, by gender	Remarks
Maternity leave	Female (100%)	Female (100%)	100%	Employees had taken maternal leave for FY 23-24 and is still employed with NFPL.	100%	NFPL has provision of maternal leave. In the reporting year only 1 employee took the maternal leave.

## Labour Management

Comprehensive initiatives undertaken by NFPL to improve Labour Management Relations and Enhance Employee Growth and Well-being are as follows:

The Whistleblower Policy covers all employees, including those at the corporate office, regional offices, and branches across India. It also includes Protected Disclosures from stakeholders associated with NFPL

Cultivating natural career advancement opportunities to enable our employees' professional growth.

Attracting high-potential individuals and offering them the potential to diversify their skills through exposure to various business functions.

Cultivating an organisational culture characterised by compassion, collaboration, and inclusivity to enhance employee well-being and foster an inclusive environment.



## Occupational Health And Safety

NFPL prioritizes the health and safety of its workforce. NFPL's comprehensive healthcare program extends beyond routine check-ups to include occupational disease screenings, enabling proactive identification and management of potential health risks.

### Occupational Health & Safety Communication:



NFPL has initiated a campaign to encourage a smoke-free lifestyle among employees. This initiative has utilised visual communication by strategically placing 'Tobacco Free Zone' posters throughout the workplace.

NFPL ensures that every branch is equipped with fully functional fire extinguishers, strategically placed for easy access in case of an emergency. To maintain safety standards, these fire extinguishers are regularly checked and refilled as soon as they reach their expiration date or after use, ensuring that they are always ready for use when needed.



Clear and concise fire exit signs are strategically placed throughout the workplaces to effectively communicate emergency escape routes. These signs provide essential information, such as the direction (up or down), and whether the escape route is a stationary staircase.



To enhance workplace safety, NFPL has strategically placed fire alarms throughout the facility.



NFPL has placed emergency response posters throughout all branches, highlighting various fire safety tips and emergency measures.



First aid boxes are available in all branches. It is ensured that only over-the-counter medicines are present, and that no red-line or expired medications are included in the boxes.



Namdev is deeply committed to employee safety, ensuring that all employees receive thorough training on road safety and the critical importance of wearing helmets. To reinforce this commitment, wearing helmets is mandatory for all employees across departments who travel by two-wheeler.

### Health & Safety Compliance

The following interventions support our adherence to Health & Safety compliance.

- Prohibition on Smoking in a Public Place - Applicable to offices or work premises
- Display of No-Smoking Signs - Applicable to offices
- Prevention of aids to smoking - Applicable to offices or work premises
- Manner of segregation, storage and disposal of solid waste &— Applicable to a generator of solid waste (except construction and demolition waste)
- Refrain from manufacture, import, stocking, distribution, sale and use of specific single use plastic, including polystyrene and expanded polystyrene, commodities
- Hand over the e-waste generated only to the registered producer, refurbisher or recycler - Applicable to a Bulk Consumer
- Determination of required number and type of Fire Extinguisher
- Display of location of fire extinguishers and means of access to the building
- Paste the inspection card to the body of the fire extinguisher
- Inspection and proper maintenance of Fire Extinguishers - owner or designated agent or occupant
- Proper placing of the labels in the Fire Extinguishers
- Inspection and proper maintenance of Fire Extinguishers - owner or designated agent or occupant
- Proper placing of the labels in the Fire Extinguishers
- Prepare maintenance schedule for the Fire Extinguishers
- Adhere to the general safety precautions for maintenance of Fire Extinguishers
- Conduct quarterly maintenance of the Fire Extinguishers
- Conduct annual inspection of the Fire Extinguishers
- Conduct operational test for Fire Extinguishers on installation
- Maintenance of record for recharge and record keeping for the fire extinguishers
- Display abstract banning child labour and restricting employment of adolescents alongwith penalty for breach - Applicable to any occupation or process in Rajasthan
- Display notice/s informing employees about the Internal Committee and penal consequences of indulging in sexual harassment acts
- Conduct periodic workshops and awareness programs for your employees






### JOIN HANDS CREATE SAFE WORKPLACE

To reports incidents or concerns, please contact:  
Internal Committee (IC), constituted under the Sub-section (1) of Section 4, Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013.  
Sexual Harassment is a misconduct in this workplace and may lead to termination of the employment.



**Whom to Contact?**

S.No	Name of the Member	Designation	Contact Details
1	Ms. Latika Tanwar	Director	poshcomplaints@namfin.in
2	Mr. Jitendra Tanwar	MD & CEO	
3	Mr. Rakesh Kumar Saini	National Credit Head	
4	Ms. Sakshi Sharma	CS & CCO	
5	Ms. Pooja Singh	Sr. Vice President Credit-MSME	poshcomplaints_mp@namfin.in
6	Ms. Pooja Nuval Adv.	External Member	
7	Ms. Astha Vaishnav (Madhya Pradesh)	Legal Manager	poshcomplaints_dl@namfin.in
8	Mr. Harvendra Rathore (Delhi)	Sr. VP-Credit MSME	poshcomplaints_hr@namfin.in
9	Mr. Harvendra Rathore (Haryana)	Sr. VP-Credit MSME	poshcomplaints_up@namfin.in
10	Mr. Bishwajit Basu (Uttar Pradesh)	Sr. VP Sales - MSME	poshcomplaints_uk@namfin.in
11	Mr. Bishwajit Basu (Uttarakhand)	Sr. VP Sales - MSME	poshcomplaints_gj@namfin.in
12	Mr. Bhupesh Sadhubhai Jaiswal (Gujarat)	ACM-MSME & Two-Wheeler	

To report the incidents or concerns, an internal committee has been constituted under the Sub Section (1) of Section 4, Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013.

NFPL further demonstrates its commitment to employee safety through life-saving skills training.

To address identified training needs, monthly training sessions are conducted on Road Safety, Fire Safety, Workplace Hygiene, Emergency Preparedness Plans, Life Support Training, ESIC benefits, and Group Medical Coverage to prioritise employee health and safety.

Furthermore, cab services are provided to female employees for their safety and convenience.

Under our safety protocol, the following procedures are implemented:

- Mandatory reporting of all accidents, regardless of severity, for thorough investigation and implementation of preventive measures.
- Fire extinguishers and alarms installation in all branches/offices, accompanied by mandatory operational training for all personnel.
- Establishment of on-site emergency plans, accompanied by regular mock drills on Fire and CPR and evacuation programs.
- Communicating safety information through visual media channels.
- Cultivating a robust safety culture that emphasises adherence to safety rules and best practices, with the unwavering goal of achieving and sustaining zero accidents.

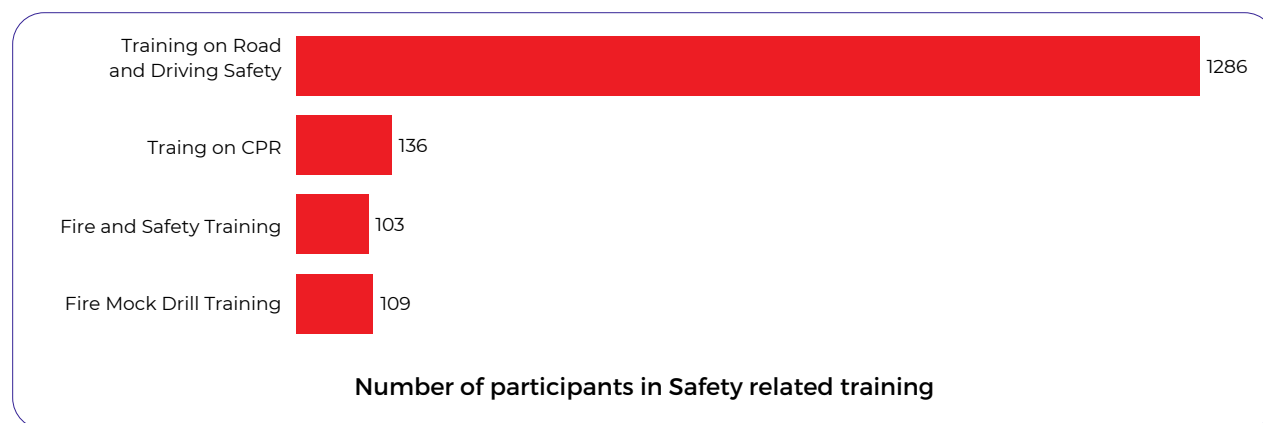


**The successful implementation of these structured initiatives has made NFPL an organisation with a zero-accident/incident record.**

## Safety Performance

Data	2023 - 2024	2022 - 2023
No. of fatalities as a result of work-related injury	0	0
Rate of fatalities as a result of work-related injury	0	0
No. of high-consequence work-related injuries (excluding fatalities)	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	0	0
No. of recordable work-related injuries;	0	0
Rate of recordable work-related injuries;	0	0
The main types of work-related injury	None	None
<b>Average Man-days</b>	<b>2,84,328</b>	<b>1,90,044</b>
<b>Average Worked Hrs</b>	<b>22,72,064</b>	<b>15,25,632</b>





## Safety related training details







## Emergency preparedness and response plan

As part of Environmental and Social Management System Emergency Preparedness and response plans are developed.

This policy outlines procedures and actions for addressing a wide range of emergency scenarios, including:

-  **Natural disasters**  
Earthquakes, floods, hurricanes, wildfires, etc.
-  **Medical emergencies**  
Mass casualty incidents, pandemics, etc.
-  **Man-made disasters**  
Fires, chemical spills, explosions, accidents, etc.
-  **Security threats**  
Terrorism, active shooter situations, etc.

Key components of this policy include:

-  **Risk assessment**  
Identifying potential hazards and vulnerabilities.
-  **Communication protocols**  
Establishing clear and efficient communication channels for internal and external stakeholders.
-  **Evacuation procedures**  
Developing and practicing safe and orderly evacuation plans.
-  **Collaboration with external agencies**  
Coordinating response efforts with relevant authorities (e.g., fire departments, law enforcement, emergency medical services).

This policy aims to ensure a timely, effective, and coordinated response to all emergencies, minimizing the impact on human life, property, and the environment.

## Emergency Classification

Emergencies are categorized into three levels based on their severity and the level of risk they pose:

### **Level 1: Minor Emergency**

#### **Characteristics:**

Can be handled by on-site personnel with minimal disruption. No immediate danger is present.

#### **ERP Activation:**

Not typically required. However, the Emergency Response Plan (ERP) should be notified for documentation and investigation.

#### **Examples:**

Dust storms, windstorms, heavy snowfall, heat waves, influenza outbreaks.

### **Level 2: Moderate Emergency**

#### **Characteristics:**

Requires immediate action but can generally be brought under control with on-site resources and potentially limited external assistance.

#### **ERP Activation:**

Required. The Emergency Response Team (ERT) must be notified.

#### **Examples:**

Earthquakes, heavy rain/floods, tsunamis, global pandemics, bomb threats, active shooter situations, protests, unplanned outages, planned downtime/maintenance, system testing, help-desk escalations, product recalls, layoffs.

### **Level 3: Major Emergency**

#### **Characteristics:**

Requires significant external assistance to be brought under control. Immediate notification to management is crucial.

#### **External Assistance:**

Refers to assistance from outside the site, such as fire departments, law enforcement, or other external agencies.

#### **Examples:**

Structure fires, hazardous material leaks/spills, negative publicity, news highlighting the company negatively, strikes, riots, political influence, cyber-attacks/security breaches, elections.

**Note:** The simultaneous occurrence of two or more Level 2 emergencies may be considered a Level 3 emergency.

## Training & Education

NFPL conducts a variety of training programs throughout the year, covering areas such as: Functional Skills, Management & Regulatory Compliance (MRC), Development, Health & Safety, and System Training. Key topics include:

- Environmental, Social, and Governance (ESG)
- Induction: Company Overview, Company Policies, Joining Process
- Stress Management
- Prevention of Sexual Harassment (POSH)
- Code of Conduct (COC) & Collection Code of Conduct (CCOC)
- Road & Safety, Fire & Safety (including Mock Drills)
- First Time Manager Training
- Communication & Behavioral Skills
- Time Management
- Product Policy & Process Training
- Employee State Insurance (ESI) Benefits
- HR Compliance
- Performance Management System (PMS) Training
- Debt Collection Training
- Complaint System Process
- System & Omnifin System Training
- How to Conduct Due Diligence (for Leaders)
- Product Suitability Training (Third Party Providers)
- Branch Management
- Conflict Management
- Credit Approval Process Analysis (Staff & Third Parties)
- Client Protection Principles Training
- Responsible Treatment of Clients (Code of Conduct, Unacceptable Behaviors)
- Service Experience Ownership
- Managing External & Internal Interfaces
- Collateral Evaluation (Assessment Process, Registration) - Training for Staff
- Working in Tandem

These training sessions, conducted quarterly, typically range from one to four hours in duration.



NFPL's success is fueled by a dedicated and well-trained team, driving the organization towards continued success. NFPL's multifaceted approach fosters an inclusive work environment that supports and nurtures both personal and professional growth.

## Training Details

Description	2023-24	2022-23
Total hours of employee training (Hours)	308	120
Average training hours per employee	1	2
Describe the type and scope of programs implemented and assistance provided to upgrade employee skills	Developmental, Functional, Health & Safety, Product Training Programs, Mandatory, Regulatory & Compliance Programs	Developmental, Functional, Health & Safety, Product Training Programs, Mandatory, Regulatory & Compliance Programs
Internal training courses to upgrade skills	<b>Developmental Trainings:</b> Understanding NBFC, Understanding Role of Leaders, Work Ethics, First Time Managers Training, ESG Training, Communication Skills, Advance Excel Training, Stress Management Programme, and Power Point Presentation <b>Functional Trainings:</b> Recruitment Process Training, Product Policy & Process Training, HR Compliance Training, New Payroll Process, CIBIL Training, GMC Insurance Awareness session, Internal Audit Process, MSME-Product Policy training, Synofin Training, Electric vehicle- Product Training, Credit- 'Discussion & Clarification', EV-Credit & Process Training, ESI'S Benefits Programme and On-Boarding Process' Training <b>MRC Programs:</b> Prevention of Sexual Harassment (POSH), Code of Conduct (COC), Collection Code of Conduct (CCOC), Road & Safety, Fire & Safety Training, AML & KYC and CPR Training.	<b>Developmental Trainings:</b> Email Etiquette, Statutory Compliance, Basic MS-Excel Training, Personal Finance Training, Communication & Etiquette, Time Management Training, First Time Manager, Development/Assessment Centre, and LinkedIn Awareness Session <b>Functional Trainings:</b> Adrenalin HRMS System Training, Process & Policy – Operations MSME, Induction-NFPL, Synofin Software Training, Process & Policy Training - Credit MSME, Process & Policy Training - Credit TW, Process & Policy Training - Compliance TW, and LinkedIn Conference. <b>MRC Programs:</b> Road Safety & Life Support Training, Fire & Safety Workshop, POSH Training, GMC Insurance Awareness Session, Company Induction, MRC Training, POSH – ICC Training and COC Session
Amount Spent on Education/Training Assistance	1,01,916	45,158

## Employee Recognition & Rewards

 **Employees Awarded**

 **160**

Male Employees

 **47**

Female Employees

**Total 207 Employees awarded in FY 2023-24**  
(Including R&R awards, Rising Stars and ESOP)

 **Award Category**

### R & R awards:

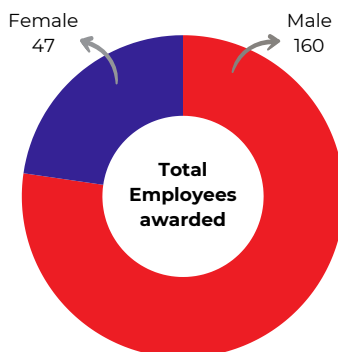
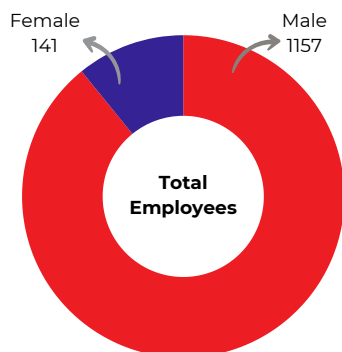
R&R is our annual celebration of employee excellence. We honor top performers and inspire everyone to strive for greatness.

### Rising Stars:

Recognize and reward our Rising Stars each month! This award celebrates employees who have made exceptional contributions.

### ESOP:

ESOPs (Employee Stock Ownership Plans) grant employees company stock, aligning their interests with shareholders. This fosters motivation and offers tax benefits for both. ESOPs are valuable retirement tools and aid in succession planning by facilitating ownership transfers.



### % of Employees receiving award



33.33%

- Out of 141 Female employees 33.33% received awards



13.83%




- Out of 1157 Male employees 13.83% received awards







## Diversity and Equal Opportunity

Our organization is deeply committed to fostering a diverse and inclusive workplace. We cultivate an inclusive environment through:

- 
**Diversity training:**  
 Educating employees on the importance of diversity and inclusion.
- 
**Equal opportunity policies**  
 NFPL Prohibits discrimination against all internationally recognized Protected Categories such as people over 40 years old; Sex; Race/ethnicity/ national extraction/social origin /caste; Religion; Health status, including HIV status; Disability; Sexual orientation; Political affiliation/opinion; Civil/marital status; LGBTQIA+
- 
**Employee development programs**  
 Ensuring fair and equitable treatment for all employees.

Our commitment to human rights is unwavering. This is reflected in:

- 
**A robust code of conduct**  
 Outlining ethical and respectful behavior expectations.
- 
**Strong POSH (Prevention of Sexual Harassment) policies**  
 The Company maintains a strict Zero Tolerance Policy against Sexual Harassment. We have an Internal Complaints Committee (ICC) dedicated to investigating all cases of sexual misconduct thoroughly and impartially. The ICC ensures a fair and transparent process for all parties involved, and appropriate action is taken against any employee found guilty of misconduct. The Company is committed to fostering a safe and supportive work environment for all female employees.



We believe that a diverse and inclusive workforce is essential for innovation, creativity, and overall organizational success.








## Recruitment and Training

The Company hires candidates based on their aptitude, merit, and suitability for the specific job requirements and responsibilities.

We are committed to equal employment opportunities for all qualified individuals, including those with disabilities. No candidate will be discriminated against based on disability if they possess the skills and abilities to perform the essential functions of the position successfully.

NFPL is committed to fair and inclusive recruitment practices. To ensure equal opportunities for all, including individuals with disabilities, we adhere to the following measures:

-  Wherever possible all vacancies are widely advertised, including through notifications to disability organizations.
-  Application forms are made available in alternative formats upon request.
-  Candidates with disabilities requiring reasonable accommodations for the interview (e.g., assistive technology, interpreters) are to inform the recruiter or Liaison Officer.
-  Interviewers are required to document their objective assessment of the candidate's skills and qualifications in the interview evaluation form. Reasons for rejection must be job-related and non-discriminatory.
-  The selection processes are regularly reviewed to ensure fairness and inclusivity, and they focus solely on the skills and qualifications required for the job.

NFPL strives to maintain the same level of care and consideration in employee appraisals and promotions for all employees, including those with disabilities.

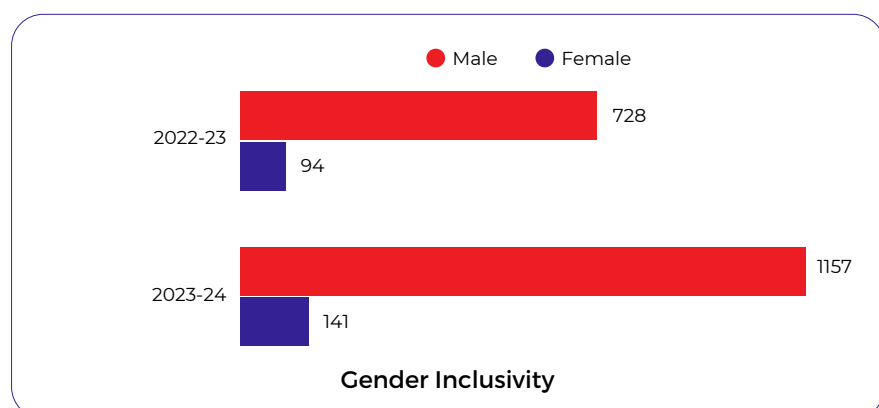
Promotion decisions are based solely on objective criteria and performance. Discrimination based solely on disability is strictly prohibited.

We ensure that all employees, regardless of disability, have equal opportunities for growth and advancement within the company.

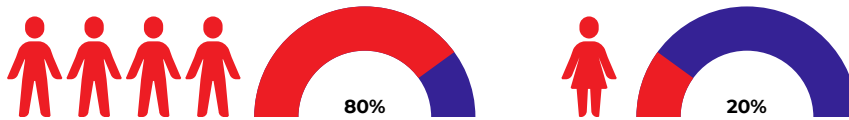
We have implemented policies that promote gender equality, including:

-  **Equal pay policies**
-  **Anti-harassment policies**

An internal committee has been established to address incidents or concerns related to sexual harassment in the workplace, as mandated by Section 4(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



## Gender diversity in the board



## Gender Diagnostic Assessment for NFPL Staff Gender Diversity

**11:89**

The current female-to-male ratio within NFPL

**28%**

of the staff are female at the Headquarters (HO) level

**72%**

of the staff are male at the Headquarters (HO) level

## Child Labour

NFPL is committed to upholding the principles of Non-Discrimination & Fair Treatment, as outlined in ESG Policy, which explicitly prohibits all forms of child and forced labor.

## Forced or Compulsory Labour

NFPL is committed to upholding the principles of Non-Discrimination & Fair Treatment, as outlined in our ESG Policy. This includes a zero-tolerance policy for forced or compulsory labor.

## Local Communities

NFPL prioritizes stakeholder engagement by identifying and assessing both internal and external stakeholders. We understand their expectations and concerns to inform our strategic direction. Regular engagement through various channels strengthens relationships and refines our strategies.



## CSR Initiatives Undertaken by NFPL in FY 2023-24

**₹ 33.18 lakhs**

Total investment in CSR

**~158 Units**

Blood Donated

**~1000**

Packets of Food daily distribution

**~400**

Benefited from Free Check-Up

**4,308**

Women Empowered

**85%**

HO based Employees participate in CSR activities as Volunteers

### CSR funds allocated (₹ in Lakhs)



### CSR funds disbursed / used (₹ in Lakhs)



CSR Detail information



## Education Support and Holistic Development

### Aaradhya - Balika Shiksha Abhiyan

Investing in girls' education transforms communities, nations, and the world. It strengthens economies and reduces inequality. Through "Aaradhya - Balika Shiksha Abhiyan", NFPL aims to improve female literacy, especially among the underprivileged.

This year, 146 additional girls gained access to quality education, totaling 420. Regular assessments show consistent improvement in their learning levels.





### Prerna – Distribution of Study Material

Access to education is key to unlocking innovative possibilities and driving economic prosperity. As part of its CSR initiative “Prerna”, NFPL distributed study materials to 150 students at Jahota Government School, Jaipur. This effort aims to inspire and support their educational journey, paving the way for a brighter future for these young minds.



### Distribution of School Bags

**50**

school bags distributed

To support students from economically disadvantaged backgrounds and encourage them to continue their education, the company distributed 50 school bags to students at Jhotwara Government School, Jaipur. This initiative fostered positive sentiment among the beneficiaries and is expected to contribute to increased student enrollment at the government school.



### Fire Safety Mock Drill

Veer Fozi Golden Stars conducted a fire safety mock drill for 250 NFPL employees at the company's new premises. The drill aimed to raise awareness about managing fire emergencies effectively. Employees learned how to respond to building fires, use appropriate equipment, and ensure personal safety. The Site Supervisor provided emergency information, while the Emergency Response Team (ERT) demonstrated various rescue techniques. The session concluded with a briefing on emergency procedures and mock drill outcomes, emphasizing preparedness and safety.





## Health Care & Wellness

### Blood Donation Camp ~~~~~

NFPL demonstrated its commitment to community service by hosting a Blood Donation Camp. The camp was aimed at facilitating the availability of blood for the needy person. It drew enthusiastic participation from our employees. Also, outside donors participated. Their collective efforts resulted in the donation of a total of 158 units of blood, potentially saving numerous lives and underscoring the spirit of generosity prevalent among the employees and other donors.



### Namdev Paushtik Aahar Program ~~~~~

By ensuring unprivileged section of society has access to quality food, NFPL not only supports their well-being but also recognizes their invaluable contributions to our success. Together, we are building a stronger and more compassionate society. Our motto for this program is "Making a difference, one meal at a time". Eradicating hunger and ensuring proper nutrition for the underprivileged has always been one of the core CSR practices at NFPL. To stand by this principle, the company continued to serve 1000 food packets per day to needy people across underserved regions of Rajasthan.



## Social Welfare

### Orphan Girls Marriage Assistance

**25**

Orphan Girls  
benefited

NFPL's effort is to get orphan girls married by providing financial support for their marriage. This initiative endeavours to facilitate 25 orphan girls a better life with dignity, honour & happiness. Donations have been made to support the marriage of orphaned girls at Village Chomu. This contribution aims to positively impact their lives by creating opportunities and hope for these young girls.



## Environment

### NFPL's Plantation Drive: Cultivating a Greener Tomorrow

The company initiated a drive to plant 5,000 saplings for renewable energy, with the goal of fostering a healthier environment. At the end of the year, saplings were planted with the assistance of NFPL employees, local police stations, and community members to curb carbon dioxide emissions and foster environmental awareness, and contribute to a healthier planet. Our efforts exemplify our dedication to a greener and more sustainable future. Our ongoing commitment to sustainability is essential as we continue to make a positive impact on the environment and the communities we serve.







## Animal Welfare

### Gau Seva Campaign

Animal Welfare is one of the activities NFPL funds through CSR. On the occasion of Makar Sankranti, the company donated cattle fodder to the Gaushala. It helps farmers get a higher income by enhancing cow productivity while also improving the supply chain.



## Community Welfare

### Blanket Donation Campaign

**250**

blankets  
distributed to  
underprivileged  
people

The company has distributed 250 blankets to underprivileged people ensuring they are equipped to stay warm during colder months, in a drive to eradicate abject poverty. We run Blanket Donation Campaigns, where we provide high-quality warm blankets to the underprivileged people. Lakhs of homeless experience the bitterness of winter and are at great risk of suffering from severe illnesses: this gives us an opportunity to serve humanity by donating blankets to the needy.





### Raahat Program - Clothes Donation Drive

**500**

winter clothes distributed to underprivileged individuals

NFPL took a step towards kindness by distributing 500 winter clothes to underprivileged individuals, helping them stay warm during the harsh winter. The main objective behind the donation drive is "that many among India's poor and underprivileged lack adequate clothing and to give an underprivileged person a pair of clothes is as good as dressing him/her with self-respect". This initiative received an overwhelming response as people queued up to receive their warm winter clothes.



### Khushi - Gifts Distribution

**500**

Diwali gifts distributed to underprivileged children

NFPL believes that happiness increases by sharing. NFPL celebrated Diwali in a very special way by bringing smiles to few underprivileged children.

**On this Diwali, we distributed 500 gifts which included diyas, sweets, soundless crackers, winter clothes, etc. to underprivileged children because we believe that every kid deserves to experience joy and happiness.**



## CSR Activities (Yearwise)

S. No.	FY	ESG	CSR Activity	Summary	Remarks
1	2023-2024	S	Nutritious Meals for the under-privileged	Eradicating hunger and ensuring proper nutrition for the underprivileged has always been one of the core CSR practices at NFPL. <b>To stand by this principle, we continue to serve around 1000 food Packets per day to needy people</b> across underserved regions in Rajasthan (Jaipur, 200ft Bypass) with fresh, nutritious meals.	—
2	2023-2024	S	Girls' education Welfare	Our company has once again made a significant contribution to corporate social responsibility (CSR) by taking responsibility for girls' education. <b>NFPL facilitated access to quality education for an additional 146 underprivileged girls, bringing the total to 420.</b> These girls have consistently demonstrated improved learning levels year after year, which we monitor through individual assessments	—
3	2023-2024	S	Cattle fodder	<b>Every year, on the occasion of Makar Sankranti, we donate cattle fodder to the Gaushala,</b> contributing approximately 10 tons annually.	—
4	2023-2024	E	Plantation Project	<b>We've initiated a project to plant approximately 10,000 trees for renewable energy,</b> with the goal of fostering a healthier environment. <b>At the end of the year around 5,000 trees were planted,</b> thanks to the assistance of our employees, local police stations, and community members	5000 Plants
5	2023-2024	S	Orphan Girls' marriage	<b>We furthered our support by donating approximately ₹100,000 to facilitate the marriage of orphaned girls in Chomu.</b> This contribution is intended to have a positive impact on their lives, fostering opportunities and instilling hope for these young girls.	—
6	2023-2024	S	Gifts distribution (Diwali)	<b>On this Diwali, we distributed Sweets, dry fruits, chips, soundless crackers, and winter wear to underprivileged children</b> because we believe that every kid deserves to experience joy and happiness.	500 Units
7	2023-2024	S	Blanket Distribution (Diwali)	<b>On this Diwali, we distributed Blankets to underprivileged people.</b>	250 Units
8	2023-2024	S	Blood donation Camp	<b>We organised a Blood Donation Camp. The camp was aimed at facilitating the availability of blood for the needy person.</b> Under this Campaign employees and outside donors Participated and a total of 158 Units of blood were collected.	158 Units

## Supplier Social Assessment

Beyond price, quality, and logistics, ethical considerations are paramount in supplier selection. These include adherence to fair trade practices, the prohibition of child labor, and ensuring the absence of disguised employment. These ethical principles guide all agreements and contracts.

## Public Policy

NFPL supports and advocates for fair trade practices within the industry.

## Marketing and Labelling

NFPL prioritizes customer feedback by providing email address and toll free contact numbers for submitting complaints and suggestions. No incidents of non-compliance concerning the product and service information and labelling have been reported.

## Customer Privacy

In today's digital world, safeguarding information assets is crucial for NFPL to maintain business operations and uphold its reputation as a trusted financial institution.

NFPL's Information Security Policy provides a comprehensive framework to ensure a secure environment for all business processes, systems, and personnel.

This policy underscores our commitment to protecting customer information, organizational data, and IT infrastructure against evolving cybersecurity threats.

Protecting the confidentiality, integrity, and availability of information assets is crucial for NFPL's success. This policy addresses core information security principles and incorporates essential security requirements, including authenticity, non-repudiation, identification, authorization, accountability, and auditability.

The IT Department at NFPL is responsible for overseeing and ensuring the implementation of the Information Security Policy. The Head of IT leads this effort, focusing on segregation of duties and conflict mitigation. The Head of IT is responsible for articulating, implementing, and enforcing the Information Security Policy across the organization. They collaborate with internal departments and external agencies to maintain comprehensive security measures.

All employees and external parties have a responsibility to ensure the confidentiality, integrity, and availability of NFPL's information assets.

### The three major sections of an Information Security focus on:

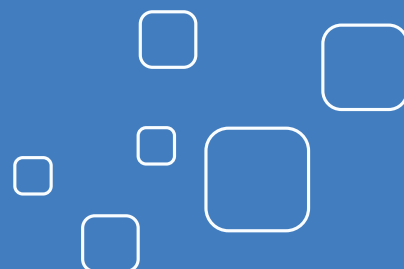
1. **Executive Management leads security governance and defines strategic security objectives.**
2. **Governance ensures effective strategic direction, risk management, and responsible resource utilization by the board and executive management.**
3. **The Implementer ensures compliance with all relevant policies.**



# GOVERNANCE

ESG governance prioritizes ethical and sustainable operations, ensuring transparency, accountability, and responsible decision-making.

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## Economic growth

NFPL exemplifies strong ESG practices by focusing on customer-centricity, transparency, and ethical lending. Key aspects include ethical behaviour, strong corporate governance, risk management, and stakeholder engagement. By prioritizing ESG, companies can build trust, mitigate risks, and contribute to a more sustainable future. There is an experienced management team of seasoned professionals (CCO, CBO, Head of IT) with an extensive experience in financial services to oversee company's operations and ensuring good governance.

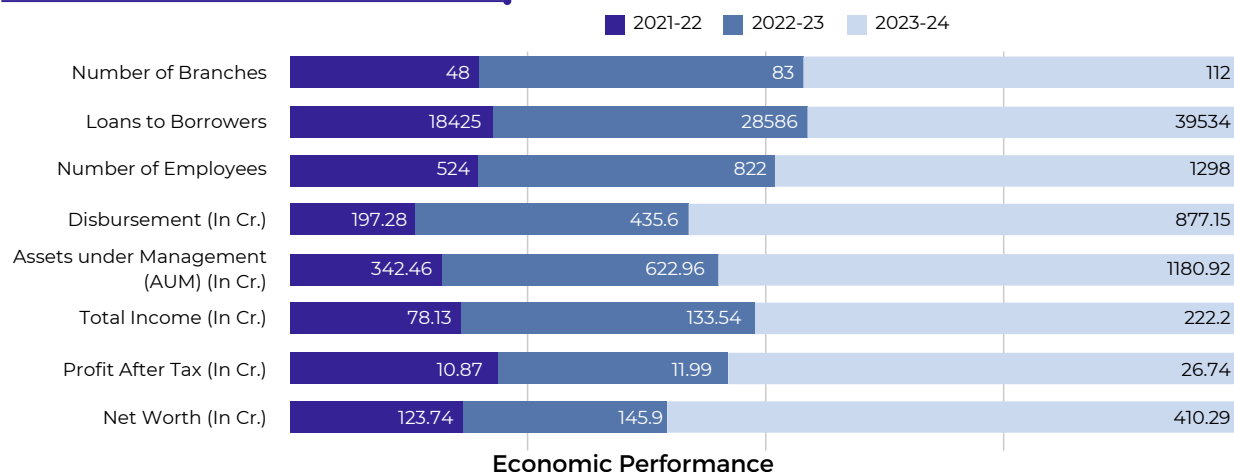
Business expansion was done by setting up branches in new geographies to diversify geographical risk. Planned expansion has helped in better penetration and geographical reach. Decentralization of various functions via a Branch Model to mitigate operational risks has been carried out.

Multi-level checks were introduced before any loan disbursement thus minimizing the chances of fraud risk. Frequent branch visits and customers visits were conducted to mitigate operational and fraud risk.

### Economic value retained: 'direct economic value generated' less 'economic value distributed'. (As on March 2024)

S.No	Description	Particulars	Amount in Rs. Lakhs
1	Direct economic value generated	Revenue From Operations	20689.95
		Other Income	1529.90
		<b>Total (1)</b>	<b>22219.84</b>
2	Economic value distributed:	Operating Cost	3444.34
		Employee Wages	4486.27
		Payments To Government	933.54
		Payments To Providers Of Capital	10648.12
		Community Investment	33.18
		<b>Total (2)</b>	<b>19545.45</b>
3	<b>Economic value retained (1-2)</b>		<b>2674.40</b>

## Economic Performance

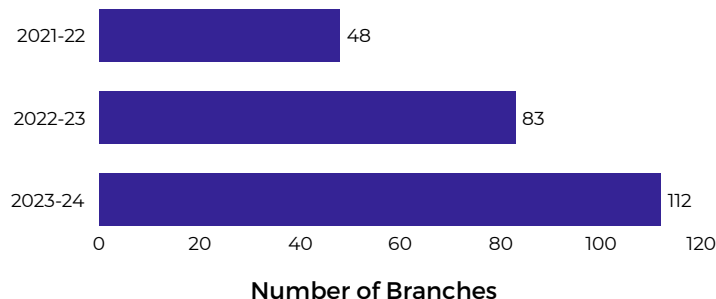


Overall, the graph showcases a remarkable and consistent growth trajectory for NFPL across various key financial metrics.

## Key Highlights

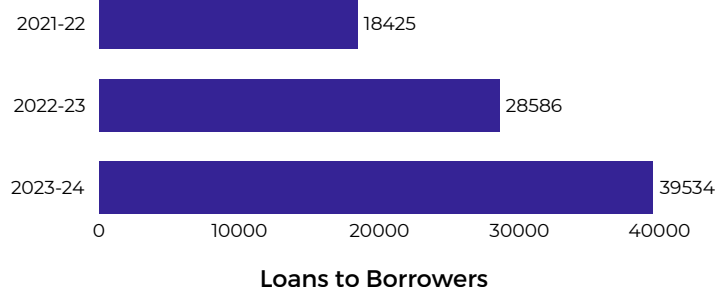
### >>> Number of Branches

A steady increase from 48 in 2021-22 to 83 in 2022-23 and further to 112 in 2023-24 indicates a significant expansion of NFPL's physical presence and market reach. This suggests a proactive strategy to serve a wider customer base.



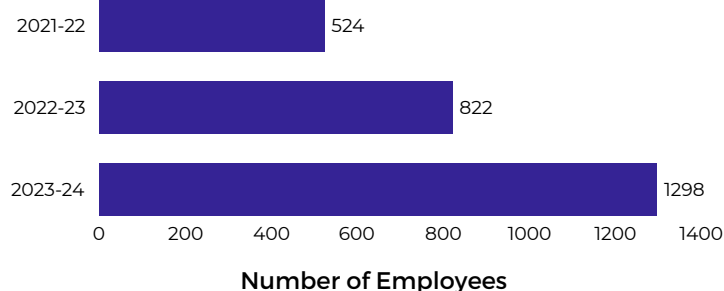
### >>> Loans to Borrowers

The most striking growth is observed here. The loan book surged from 18425 in 2021-22 to 28586 in 2022-23 and a substantial leap to 39534 in 2023-24. This substantial expansion of lending activities is a key driver of NFPL's overall growth.



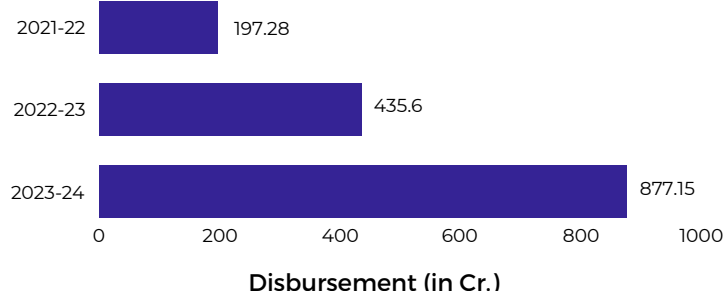
### >>> Number of Employees

The workforce has grown steadily from 524 in 2021-22 to 822 in 2022-23 and further to 1298 in 2023-24. This increase in manpower aligns with the expansion of operations and supports the growing loan portfolio and branch network.



### >>> Disbursement (in Cr.)

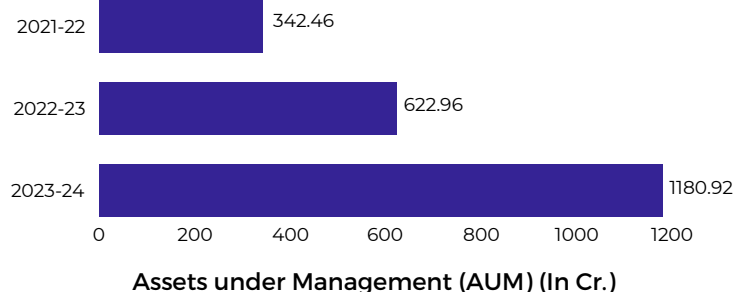
A significant increase from 197.28 Cr. in 2021-22 to 435.6 Cr. in 2022-23 and further to 877.15 Cr. in 2023-24 demonstrates a substantial increase in the amount of loans being disbursed. This aligns with the growth in the loan book.





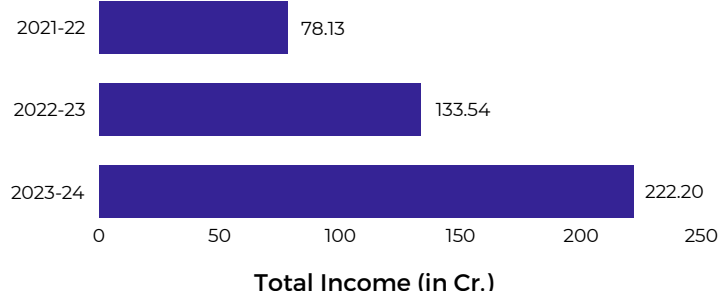
### >>> Assets under Management (AUM)

AUM has witnessed a substantial increase from 342.46 Cr. in 2021-22 to 622.96 Cr. in 2022-23 and further to 1180.92 Cr. in 2023-24. This growth in AUM suggests increasing investor trust and confidence in NFPL's investment management capabilities.



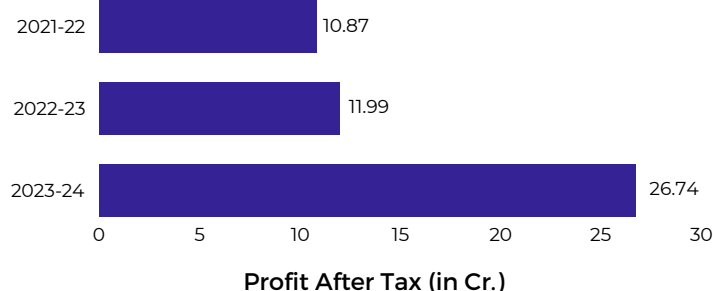
### >>> Total Income (in Cr.)

Total Income has also shown significant growth, increasing from 78.13 Cr. in 2021-22 to 133.54 Cr. in 2022-23 and further to 222.20 Cr. in 2023-24. This reflects the positive impact of the growing loan book and other income streams.



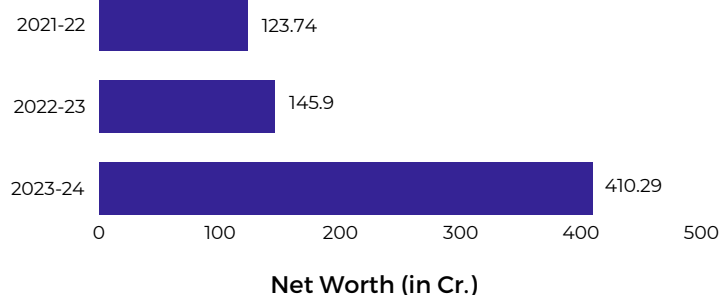
### >>> Profit After Tax (in Cr.)

Profitability has also increased steadily, rising from 10.87 Cr. in 2021-22 to 11.99 Cr. in 2022-23 and further to 26.74 Cr. in 2023-24. This indicates healthy financial performance and a capacity for future growth.



### >>> Net Worth (in Cr.)

Net Worth has experienced a substantial increase from 123.74 Cr. in 2021-22 to 145.9 Cr. in 2022-23 and further to 410.29 Cr. in 2023-24. This signifies a strong financial position and increased shareholder value.



## Implications

### >>> Strong Market Position

This supports that we have established a strong market position with its expanding branch network and growing loan portfolio.

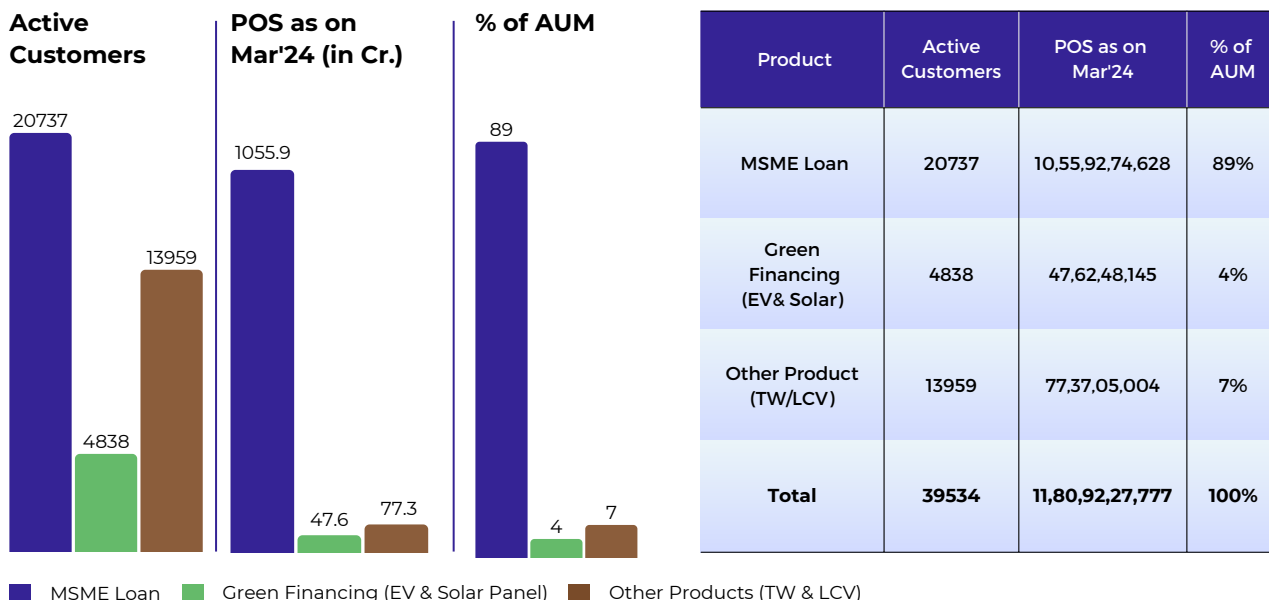
### >>> Attractive Investment Opportunity

The consistent growth in AUM suggests that we are an attractive investment option for investors.

### >>> Positive Financial Performance

The increasing income, profitability, and net worth indicate a healthy financial position and a promising future for NFPL.

### >>> Product Classifications

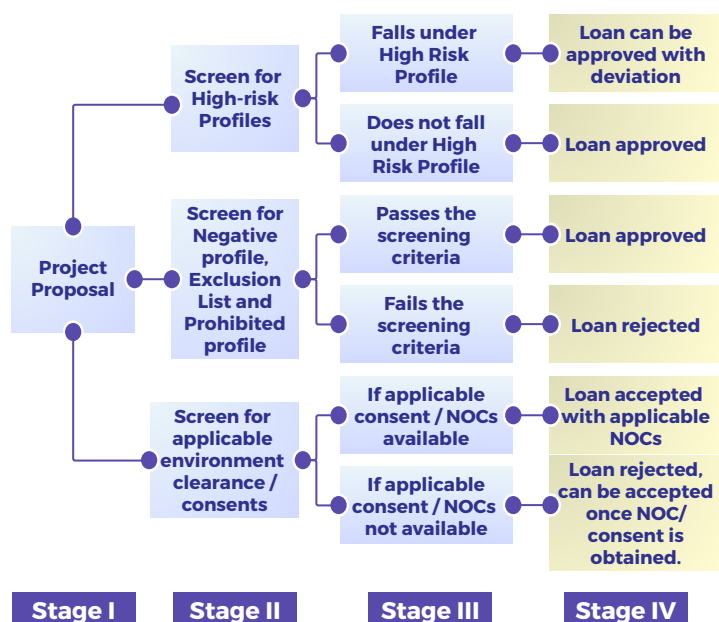


**Overall, the graph provides a compelling narrative of our impressive economic performance, showcasing consistent growth across various key metrics. This growth trajectory suggests a well-managed and expanding financial institution with a strong foundation for future success.**

## Secured & Responsible lending

As part of our ESG policy, the Company evaluates all loans through a screening process that integrates environmental, social, and governance (ESG) factors. This includes checking compliance with applicable environmental, social, and labour laws and assessing ESG risks. High-risk profiles may be considered with deviations, provided they are logged with mitigants and additional approval. The Company also screens for negative profiles and prohibited activities, ensuring ineligible projects or individuals are excluded. Industrial properties are advised to obtain necessary environmental clearances as required by law. This approach ensures thorough ESG risk screening and compliance with relevant regulations.

NFPL has constituted Credit Committee to evaluate and sanction High Value Ticket Size Loans.



## **Financial implications and other risks and opportunities due to climate change**

Due to the nature of business, financial implication and risk have to be proactively addressed. We carry out a comprehensive risk assessment to ascertain financial risks and other risks arising out of the uncertainties of the business environment including those arising out of climate change.

Our Environmental and Social Management System (ESMS) addresses the financial implications and other risks and opportunities due to climate change associated with climate change in our operations. Description of the risk associated with climate change in our operation is well described in our ESMS. Also, mitigation of climate related risks that the management plans to be adopted for are described.

The company has set up new verticals viz. Treasury Team, ESG Team and revamping Risk Management structure. We have set-up separate insurance department to directly manage all insurance related matters at company level. We have introduced property Insurance coverage to mitigate collateral risk in the event of loss to the property due to sudden natural calamities etc.

## **Anti bribery & Anti corruption policy**

Gifts, business entertainment, travel, lodging, meals, charitable contributions, educational or employment opportunities, and assumption or forgiveness of debt are treated as improper and illegal under the applicable anti-corruption laws, as may any other thing of value, if offered or given for an improper purpose. Further, many jurisdictions often impose strict monetary and other limitations on such expenses, regardless of improper intent. In all instances, gifts and entertainment provided to Government Officials and Private Parties is in connection with the promotion and demonstration of NFPL's products and services and is reasonable and proportionate under the circumstances. Company's employees shall not use personal funds or a third party to circumvent the requirements of this Policy.

No significant risks related to corruption identified through the risk assessment have been reported. Our anti-corruption policies and procedures have been communicated to, broken down by region. Our Anti corruption policies are available and accessible to the highest governance bodies and 100 % of all our employees. It can be easily accessed on our website. It is ensured that all the employees receive the information about it as a part of our induction process. No confirmed incidents have been reported in which employees were dismissed or disciplined for corruption.

## **Anti-competitive behaviour**

The company does not engage in anti-competitor behaviour. No case of anti-competitive behaviour was reported.

## **Defined benefit plan obligations and other retirement plan**

NFPL provides gratuity in accordance with The Payment of Gratuity Act, 1972. Under this Act, gratuity is payable to an employee upon the termination of their employment, provided they have completed at least five years of continuous service. Currently, no gratuity payments have been made, as no employees with more than five years of service have left the organization. The company has not received any type of grant or financial assistance from any government during the reporting period.

No financial assistance were received from government.

## Ratios of standard entry level wage by gender compared to local minimum wage

We believe that providing wages above the minimum wage can help contribute to the economic well-being of workers performing the organization's activities. The impacts of wage levels are immediate, and they directly affect individuals, organizations, countries and economies. The distribution of wages is crucial for eliminating inequalities, such as wage gap differences between women and men, or nationals and migrants.

Also, entry level wages paid compared to local minimum wages show the competitiveness of an organization's wages and provide information relevant for assessing the effect of wages on the local labor market. Comparing this information by gender can also be a measure of an organization's approach to equal opportunity in the workplace.

### Ratios of standard entry level wage by gender compared to local minimum wage

State	TYPE	State Minimum Wages	Minimum wage (Male)	Minimum wage (Female)
Rajasthan	Unskilled	8550	8836	10416
Delhi	Unskilled	17494	17730	18899
Punjab	Unskilled	10736	11063	-
Uttar Pradesh	Unskilled	10275	13248	16600
Gujarat	Unskilled	12012	12131	12609
Madhya Pradesh	Unskilled	9825	11259	12750
Uttarakhand	Unskilled	10031	16100	—
Haryana	Unskilled	12480	13242	—

## Procurement Practice

The company is an NBFC, and belonging to service industry. The head office of the company is situated at Jaipur Rajasthan, and the company has its branches all over India, and the customer base of the company is related to communities where the company has its branch establishment. The company provides its financial services only within India. The company procures 100% of its product and services from the local suppliers and local market only. Local here refers to the country of operation ie. India.

## Proportion of senior management hired from the local community

Proportion of senior management hired from the local community is approximately 82%. Local community here means belonging to the same state.

Designation	Working State	Employee Belongs To
Chief Treasury Officer	Rajasthan	Maharashtra
Chief Operating Officer	Rajasthan	Rajasthan
Chief Human Resources Officer	Rajasthan	Delhi
Chief Compliance Officer	Rajasthan	Rajasthan
Chief Business Officer	Rajasthan	Rajasthan
Chief Financial Officer	Rajasthan	Rajasthan
National Credit Head	Rajasthan	Rajasthan
Head of Operations	Rajasthan	Rajasthan
Sr. Vice President Credit -MSME	Rajasthan	Rajasthan
Sr. Vice President - IA	Rajasthan	Rajasthan
Assistant Vice President - Channel Business	Rajasthan	Rajasthan

## Infrastructure investments and services supported

In the FY 2023-24, no investment has been made in the infrastructure as a part of CSR activity.

## Significant indirect economic impacts

By offering financial support to MSMEs in tier 2 or below cities covering remote villages and towns we help them operate smoothly, leading to significant job creation and increased income.

Our customers are based out of Northern states of the country including low-income states, largely from Tier II or below cities which helps families in these areas to connect with the organized source of borrowings.

Most of our loans are directed towards women, either as primary applicants or co-applicants. Women contribute approximately 18% to India's GDP, and supporting women's entrepreneurship can further increase this economic contribution.



In line with our green financing mission, we provide loans for solar panels and E-Rickshaws, driving economic growth while supporting the development of the green economy.

Our CSR activities also contribute to the indirect economic growth of the community

NFPL has obtained client protection certification in the FY 2024-25, The GOLD level is the highest level of achievement and signifies that the certified institution meets the most rigorous standards of Client Protection found in the Universal Standards for Social and Environmental Performance Management.

This not only ensures the highest level of security and trust but also supports our customers' economic development. By safeguarding their data, we enhance their confidence, reduce financial risks, and encourage informed decisions. This secure environment helps customers engage more confidently with our services, fostering their financial growth and stability.

## **Approach to Tax**

NFPL's approach to tax defines how the company balances tax compliance with its investment activities and ethical, societal, and sustainable development-related expectations. This includes NFPL's tax principles, its attitude towards tax planning, the level of risk the company is willing to accept regarding tax matters, and NFPL's approach to interacting with tax authorities.

As both direct and indirect taxes are applicable on a company so the company has a planned strategy for its taxation compliances. To approach the strategy in best way the company has its qualified team for timely compliance of taxation in its internal management hierarchy. But in the company's site the company has not made its available publically.

The audit department of the company review the accounts of the company and based on result all taxation related payment and filing are followed by audit team through expert professionals.

## **Tax Governance, Control, and Risk Management**

As Tax governance control and risk management are essential to good corporate governance. For tax governance the company has a well-defined and communicated corporate policy on taxation that is approved at the strategic level of the company, and reflects the attitude and culture of the company towards managing its tax risks. And for implementation of the policy the company has its separate team to identify, mitigate and monitor key tax risks on an ongoing basis. The Board of the company is aware of the tax governance policy and material risk

## **Stakeholder engagement and management of concerns related to tax**

The stakeholder of the company has a good confidence in the company as the company has its taxation related compliance like, payment and filing on a regular basis.

## **Country-by-country reporting**

The company has its establishment in India only. So consolidated financials are not applicable to the company. And the jurisdiction of taxation is within India.

## Information Security measures

The Information Security Policy of NFPL is designed with specific objectives in mind, aiming to establish a robust framework for managing information risks and ensuring the protection of information assets throughout the organization. These objectives are designed to align with NFPL's overarching goals of maintaining operational resilience, upholding regulatory compliance, and preserving customer trust. The policy serves as a structured framework that enable NFPL to systematically identify, assess, mitigate and monitor information security risks across all facets of operation. The other key objectives of the policy are: Safeguarding information assets Promotion of awareness and accountability.

NFPL has implemented and gone live with an integrated lending solutions software "Omnifin" with maker checker concept, generation of audit logs and having an audit trail feature. This will improve the security of the system. It has restructured Information Technology department to address the regulatory requirements and mitigate IT risk including crucial client data protection and ensuring data integrity and information security.

NFPL has empanelled state wise field Investigation and RCU Agencies on independent vendor rolls to mitigate our credit risk.

## Investor Details: Equity Partners

At NFPL, we are proud to have partnered with a diverse and prestigious group of investors who share our vision of fostering inclusive growth and financial empowerment. Here's a reflection on our journey and the esteemed investors who have joined us along the way:



### Series A: The Incofin Chapter

Incofin India Progress Fund injected a fresh investment of ₹ 50 crore in a series A equity round into our Company through the India Progress Fund (IPF), a global investor with a heart for inclusive progress.

Founded in 2001, Incofin has been a pioneer in managing funds and investments in emerging markets. Their team, spread across five offices worldwide and comprising over 25 nationalities, resonates with our mission. They have been more than investors; they have been mentors, aligning closely with our business and social goals, and have been instrumental in translating our aspirations into tangible actions.



## **Series B: Expanding Horizons with LC Nueva AIF and BII**

The Series B round was a significant milestone for us, LC Nueva AIF invested ₹10.60 Cr., British International Investment (BII) has invested ₹24.99 Cr., Incofin India Progress Fund, our existing investor has also invested ₹24.99 Cr.

LC Nueva AIF, a Category II AIF Fund with a corpus of ₹300 Cr., is managed by LC Nueva Investment Partners LLP, a partnership between Lighthouse Canton and Nueva Capital. Their focus on early-stage tech-enabled businesses and their commitment to invest in 20-30 companies aligns perfectly with our forward-thinking approach.

BII, backed by the UK Government, brings over 75 years of experience as a development finance institution. Their focus on creating sustainable and inclusive economies mirrors our own ethos. Partnering with nearly 1,500 businesses, BII has been a catalyst in helping us grow and make a meaningful impact, especially in underserved communities.



## **Pre-Series C: The Maj Invest Milestone**

Our latest funding round, Pre-Series C, has been our most significant leap forward, with a raise of ₹124.99 Cr. from Maj Invest. As one of Denmark's leading asset management companies, Maj Invest brings a wealth of experience and a strong commitment to financial inclusion. Their dedicated financial inclusion team, based in Copenhagen and with regional offices in Lima and Mumbai, has been a source of immense support.

Maj Invest Financial Inclusion Fund III K/S, established in 2019, focuses on investing growth equity directly into financial institutions in emerging markets, which has been a perfect match for our goals at NFPL. Each of these partnerships has not only provided us with financial resources but also with invaluable expertise and support that have been crucial in our journey towards creating a more financially inclusive world. We are grateful for the trust and commitment of Incofin, LC Nueva AIF, BII, and Maj Invest, and we look forward to continuing our journey with them by our side. Together, we are committed to building solid institutions that serve millions, especially in rural areas and among farmers and women.

## **Investor Details: Debt Partners**

NFPL, via its Debenture Trustees, has secured Rs Cr. 172.79 in debt through AAV Sarl and Masala Investment Sarl by the Symbiotics group. This strategic move marks a new chapter in our financial journey, enabling us to leverage additional capital to support our mission.



Symbiotics is the leading market access platform for impact investing, is dedicated to private markets in emerging and frontier economies. The group offers investment, asset management, and capacity building services. Since 2005, Symbiotics Investments has originated over 7,900 investments representing more than USD 10 billion for 598 companies in 97 countries.

Through their dedicated bond issuance offer, they assist financial institutions in emerging and frontier markets to raise substantial amounts of funding from international investors. These bonds are structured as standard impact bonds, green bonds, social bonds, or sustainability bonds.

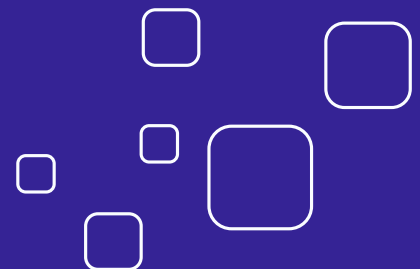


# OUR FUTURE

In conclusion, the sustainability report demonstrates the organization's commitment to social responsibility, environmental stewardship, and strong governance practices.

NFPL recognizes that sustainability is essential for the long-term success of our business and the well-being of our communities.

The organization is dedicated to improving the sustainability performance, engaging with stakeholders, and collaborating with partners to drive positive change. It believes that by prioritizing social, environmental, and governance considerations, it can create a better future for the planet and its inhabitants.



# GRI Index

Statement of use

NFPL has reported the information cited in this GRI content index for the period [1st April 2023 to 31st March 2024] with reference to the GRI Standards.

GRI 1 used

GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	SDG
GRI 2: General Disclosures 2021	2-1 Organizational details	12	
	2-2 Entities included in the organization's sustainability reporting	14	
	2-3 Reporting period, frequency and contact point	14	
	2-4 Restatements of information	14	
	2-5 External assurance	14	
	2-6 Activities, value chain and other business relationships	13	
	2-7 Employees	16	SDG 8, 10
	2-8 Workers who are not employees	NA	
	2-9 Governance structure and composition	16	SDG 5, 16
	2-10 Nomination and selection of the highest governance body	20	SDG 5, 16
	2-11 Chair of the highest governance body	16	SDG 16
	2-12 Role of the highest governance body in overseeing the management of impacts	20	SDG 16
	2-13 Delegation of responsibility for managing impacts	19	SDG 16
	2-14 Role of the highest governance body in sustainability reporting	19	SDG 16
	2-15 Conflicts of interest	23	SDG 16
	2-16 Communication of critical concerns	28	SDG 16
	2-17 Collective knowledge of the highest governance body	17	SDG 16
	2-18 Evaluation of the performance of the highest governance body	25	SDG 16
	2-19 Remuneration policies	24	SDG 16
	2-20 Process to determine remuneration	24	SDG 16
	2-21 Annual total compensation ratio	24	SDG 16
	2-22 Statement on sustainable development strategy	4	SDG 16
	2-23 Policy commitments	25	SDG 16
	2-24 Embedding policy commitments	25	SDG 16
	2-25 Processes to remediate negative impacts	23	SDG 16



GRI STANDARD	DISCLOSURE	LOCATION	SDG
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	26	SDG 16
	2-27 Compliance with laws and regulations	26	SDG 16
	2-28 Membership associations	NA	
	2-29 Approach to stakeholder engagement	27	SDG 16
	2-30 Collective bargaining agreements	NA	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	30	
	3-2 List of material topics	31	
	3-3 Management of material topics	33	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	62	SDG 8, 9, 12
	201-2 Financial implications and other risks and opportunities due to climate change	66	SDG 8
	201-3 Defined benefit plan obligations and other retirement plans	66	SDG 16
	201-4 Financial assistance received from government	66	SDG 16
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	67	SDG 1, 5, 8
	202-2 Proportion of senior management hired from the local community	68	SDG 8
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	68	SDG 5, 9, 11
	203-2 Significant indirect economic impacts		SDG 1, 3, 8
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	67	SDG 8
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	66	SDG 16
	205-2 Communication and training about anti-corruption policies and procedures	66	SDG 16
	205-3 Confirmed incidents of corruption and actions taken	66	SDG 16
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	66	SDG 16

GRI STANDARD	DISCLOSURE	LOCATION	SDG
GRI 207: Tax 2019	207-1 Approach to tax	69	SDG 1, 10, 17
	207-2 Tax governance, control, and risk management	69	SDG 10, 17
	207-3 Stakeholder engagement and management of concerns related to tax	69	SDG 10, 17
	207-4 Country-by-country reporting	69	SDG 10, 17
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not Material	
	301-2 Recycled input materials used		
	301-3 Reclaimed products and their packaging materials		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	34	SDG 7, 8, 12
	302-2 Energy consumption outside of the organization	NA	
	302-3 Energy intensity	35	SDG 7, 8, 12
	302-4 Reduction of energy consumption	35	SDG 7, 8, 12
	302-5 Reductions in energy requirements of products and services	NA	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	38	SDG 6, 12
	303-2 Management of water discharge-related impacts	38	SDG 6, 12
	303-3 Water withdrawal	38	SDG 6, 12
	303-4 Water discharge	38	SDG 6
	303-5 Water consumption	38	SDG 6
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not Material	
	304-2 Significant impacts of activities, products and services on biodiversity		
	304-3 Habitats protected or restored		
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		

GRI STANDARD	DISCLOSURE	LOCATION	SDG
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	36	SDG 3, 12, 13, 14, 15
	305-2 Energy indirect (Scope 2) GHG emissions	36	SDG 3, 12, 13, 14
	305-3 Other indirect (Scope 3) GHG emissions	37	SDG 3, 12, 13, 14, 15
	305-4 GHG emissions intensity	36	SDG 13, 14, 15
	305-5 Reduction of GHG emissions	36	SDG 12, 13, 14
	305-6 Emissions of ozone-depleting substances (ODS)	Not Material	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not Material	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	37	SDG 3, 6, 11, 12
	306-2 Management of significant waste-related impacts	37	SDG 3, 6, 8, 11, 12
	306-3 Waste generated	37	SDG 3, 6, 11, 12, 15
	306-4 Waste diverted from disposal	37	SDG 3, 11, 12,
	306-5 Waste directed to disposal	37	SDG 3, 6, 11, 12, 15
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Not Material	
	308-2 Negative environmental impacts in the supply chain and actions taken		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	40	SDG 5, 8, 10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	40	SDG 3, 5, 8
	401-3 Parental leave	41	SDG 5, 8
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Not Material	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	42	SDG 8
	403-2 Hazard identification, risk assessment, and incident investigation	42	SDG 8
	403-3 Occupational health services	42	SDG 8
	403-4 Worker participation, consultation, and communication on occupational health and safety	44	SDG 8, 16

GRI STANDARD	DISCLOSURE	LOCATION	SDG
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	45	SDG 8
	403-6 Promotion of worker health	42	SDG 3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not Material	
	403-8 Workers covered by an occupational health and safety management system	42	SDG 8
	403-9 Work-related injuries	44	SDG 3, 8, 16
	403-10 Work-related ill health	44	SDG 3, 8, 16
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	48	SDG 4, 5, 8, 10
	404-2 Programs for upgrading employee skills and transition assistance programs	48	SDG 4, 8
	404-3 Percentage of employees receiving regular performance and career development reviews	48	SDG 4, 5, 8, 10
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	52	SDG 5, 8
	405-2 Ratio of basic salary and remuneration of women to men	24	SDG 5, 8, 10
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	50	SDG 5, 8
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not Material	
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	52	SDG 5, 8, 16
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	52	SDG 8
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Not Material	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not Material	

GRI STANDARD	DISCLOSURE	LOCATION	SDG
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	52	SDG 2
	413-2 Operations with significant actual and potential negative impacts on local communities	52	SDG 1
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	60	SDG 5, 8, 16
	414-2 Negative social impacts in the supply chain and actions taken		SDG 5, 8, 16
GRI 415: Public Policy 2016	415-1 Political contributions	Not Material	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Not Material	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Not Material	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Not Material	
	417-2 Incidents of non-compliance concerning product and service information and labeling	60	SDG 16
	417-3 Incidents of non-compliance concerning marketing communications	Not Material	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	60	SDG 16



# INDEPENDENT ASSURANCE STATEMENT

To  
The Management of Namdev Finvest Private Limited (NFPL)

## Introduction and objectives of work

Consultivo Business Solutions Pvt Ltd (Consultivo) has been engaged by Namdev Finvest Private Limited (NFPL) to provide independent limited assurance of its ESG initiatives of 2023-2024. This Statement applies to the related information included within the scope of work described in this report.

## Reporting Criteria

The company applies non-financial performance criteria for developing its report derived from Global Reporting Initiative (GRI) Standard 2022.

## Assurance Standard Used

The assessment process was conducted in line with the Consultivo internal protocol for Independent Review, which is developed based on the requirements of **AA1000AS** bearing licence number **000-945**. Under this standard, we have reviewed the information presented in the report against the characteristics of relevance, completeness, reliability, neutrality and understandability. Limited assurance of this report consists primarily of enquiries and analytical procedures.

## Scope, Boundary, Limitations and Exclusions

The scope of assurance covers selected non-financial sustainability disclosures for the period FY 2023-24. The reporting scope and boundary cover NFPL's India operation and corporate office.

Consultivo has verified the relevant data and information received from NFPL through data collection, key informant interviews and observation, data verification and validation.

Excluded from the scope of our work is any assurance of information relating to Activities outside the defined assurance period stated in the report / Positional statements (expressions of opinion, belief, aim or future intention) by NFPL and statements of future commitment / Our assurance does not extend to the activities and operations of NFPL outside of the scope and geographical/project boundaries mentioned in the report.

## Conclusions

We have reviewed the non-financial sustainability disclosures in the ESG report of NFPL for the reporting period from 1st April 2023- 31st March 2024. We have provided our observations to the company in a separate gap assessment report format. These do not, however, affect our conclusion regarding the report. Based on our review and procedure, performed in line with the boundary scope and limitations as described above we conclude that as a process of 'limited assurance' nothing has come to our attention that causes us not to believe that the selected non-financial sustainability disclosures which have been subjected to limited assurance, as defined under the scope of assurance are appropriately stated in all material aspects.

## Statement of Independence, Impartiality and Competence

Consultivo is an independent professional services company that specialises in ESG (Environmental, Social and Governance) and Sustainability in providing independent assurance services. Consultivo has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.



**Saikat Basu**

CEO, Consultivo

26 March 2025

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