



Navigating the path to
Sustainability

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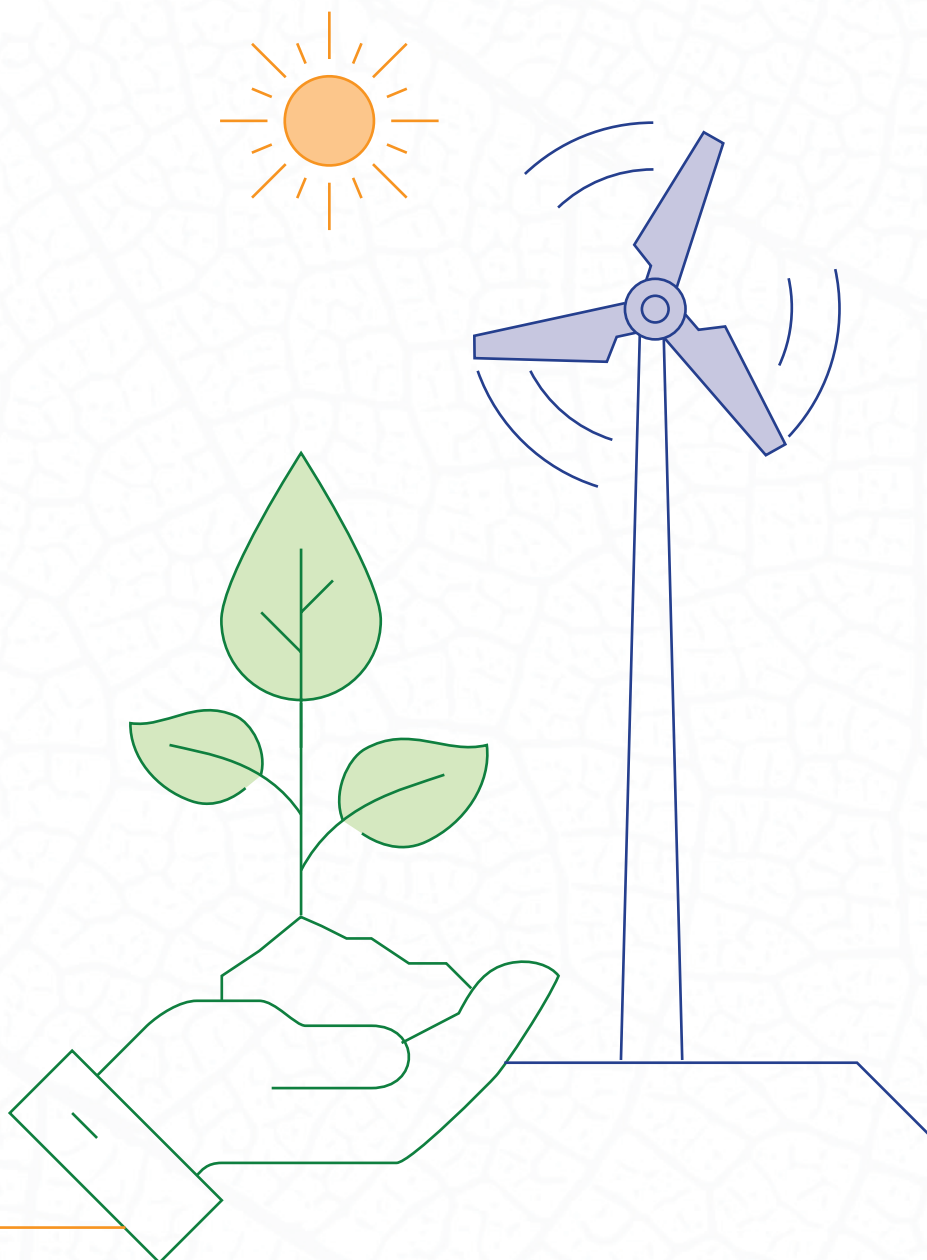
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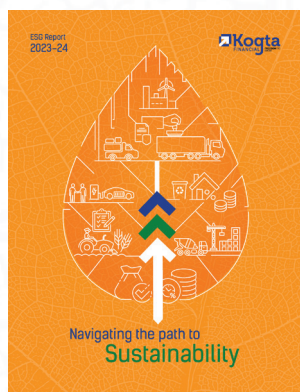


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About the Report

Kogta Financial (India) Limited, a Non-Banking Financial Company (NBFC) with over 25 years of experience in the asset finance business, is pleased to present its inaugural sustainability report marking a significant milestone in the Company's journey towards greater sustainability. This report encapsulates KFL's commitment to environmental, social, and governance (ESG) principles and outlines its efforts to integrate sustainability into its operations.





Kogta Financial (India) Limited, herein referred to as KFL specialises in various financing streams, including commercial vehicles, consumer vehicles, tractors, construction equipment and loans against property, serving diverse segments of the population across Western & Central India.

As an aspiring mass-market bank, KFL is steadfast in its dedication to serving the unserved and underserved segments of the population. Through inclusive financial services and personalised customer experiences, KFL endeavours to make a positive impact on the communities it serves.

The Company is pleased to present its inaugural Sustainability Report, marking a significant milestone in the Company's journey towards greater sustainability. This report encapsulates KFL's commitment to environmental, social, and governance (ESG) principles and outlines its efforts to integrate sustainability into its operations. Central to KFL's sustainability approach was the establishment of a robust ESG policy, guiding its actions and decision-making processes.

Through transparent reporting and engagement with stakeholders, KFL aims to foster dialogue, drive positive change, and sustain lasting benefits for every stakeholder involved. KFL's Sustainability Report is meticulously crafted in alignment with global reporting standards. By adhering to recognised frameworks, KFL aims to provide stakeholders with comprehensive insights into its sustainability performance.

While the Company has communicated its ESG efforts through the Annual Report of FY 2023, issuing this standalone Sustainability Report demonstrates a heightened focus on ESG aspects, and a commitment to meeting stakeholder expectations for detailed disclosure. It reflects KFL's recognition of its responsibility towards sustainability and its willingness to provide comprehensive information on its ESG performance, goals and initiatives.

Embracing Sustainability - Philosophy

At KFL, the belief in socially responsible and environmentally conscious practices is deeply ingrained. The commitment to sustainability permeates every aspect of KFL's operations, from decision-making processes to stakeholder engagement initiatives. KFL's sustainability strategy revolves around integrating ESG considerations into its business operations and decision-making processes. By prioritising sustainability, KFL aims to create enduring value for its stakeholders while contributing to the broader goal of sustainable development.

Covering data from FY 2023-24, this report encompasses all aspects of KFL's operations and services. Internal departments within Kogta Financial (India) Limited are entrusted with ensuring the accuracy, completeness, and timeliness of the data provided.

As part of its commitment to transparency and accountability, KFL invites stakeholders to engage and provide feedback on its sustainability initiatives. Stakeholder inputs are invaluable in helping KFL understand expectations, concerns, and priorities.

Moving forward, KFL is committed to publishing its Sustainability Report annually to track progress over time and communicate performance to stakeholders. Fostering a culture of continuous improvement, KFL aims to further enhance its sustainability efforts and create lasting positive impacts on society and the environment.

For any further information, stakeholders are encouraged to contact esg@kogta.in.



Leadership Reflections

Message from MD & CEO



Our vision has always been clear: to become a “Trusted & Responsible” financial service provider in India.

Dear Stakeholders,

I am immensely proud to present our first-ever Sustainability Report, symbolising an achievement in the Company’s pursuit of enhanced sustainability and responsible business practices. At KFL, we have always believed in more than just financial transactions; we believe in fostering communities, nurturing growth, and safeguarding our environment for generations to come.

Our vision has always been clear: to become a “Trusted & Responsible” financial service provider in India. But what does it truly mean to be responsible in today’s world? It means ensuring that our services and operations are sustainable not only from a financial standpoint but also from environmental and social perspectives. It means acknowledging our role in the broader ecosystem of our society and planet and taking proactive steps to ensure our actions align with our values.

As a progressive, fast-growing retail-focussed NBFC with over 26 years of experience in asset finance, we understand the significance of our role in the economic development of our country. By providing loans to underserved segments, particularly SMEs and MSMEs, we contribute to the growth and development of India. However, we recognise that this growth cannot be holistically achieved if it is not sustainable. Hence, to truly fulfil our vision, we must ensure that our growth is responsible and sustainable.

To that end, we have formulated a comprehensive sustainability strategy guided by materiality assessment and stakeholder engagement. Our strategy is structured around three fundamental pillars: Responsible, Empower, and Accountable.

The Responsible pillar emphasises our commitment to sustainable operations and achieving emission reduction targets. Empowerment involves strengthening our social capital, which encompasses our customers, communities, and employees. The Accountable pillar focusses on governance aspects, aiming to enhance transparency and management system, thereby driving the sustainability agenda of the organisation.

Our ESG governance structure ensures that sustainability is embedded into our organisation at every level. At the highest level, our Board of Directors plays a pivotal role in setting strategic direction and providing oversight to ensure alignment with our ESG vision. Our Sustainability Committee, tasked with overseeing and managing risks related to ESG factors, ensures that our ESG agenda remains at the forefront of our decision-making processes and that our strategies are robust and effective. Additionally, our ESG Steering Group collaborates closely to develop our ESG roadmap, set targets, and monitor progress, fostering collaboration and cross-functional communication. Finally, our ESG Implementation Team translates our sustainability strategies into actionable plans, ensuring that sustainability remains a top priority for every member of our organisation.

A notable practice to drive responsibility in our operations, we incorporate Environmental, Social, and Governance (ESG) criteria into our financing decisions. We conduct ESG due diligence on our product offerings to identify potential ESG risks and ensure compliance with ESG standards. This integration screens for material ESG risks and opportunities during lending procedure, ensuring sustainability from environmental, social, and financial standpoints.

Our commitment to Corporate Social Responsibility extends beyond compliance to making a positive impact in thematic areas such as health & well-being, education, environment, and animal welfare.

I am proud to announce that our efforts towards sustainability, although nascent, have received recognition, through the Best ESG Performance Award in Sustainable Finance and



Our Sustainability strategy is structured around three fundamental pillars: Responsible, Empower, and Accountable.

the Positive Social Impact category at prestigious awards ceremonies. These milestones continue to drive and motivate our efforts to achieve even more in the space.

As we reflect on our journey thus far and look towards the future, we reaffirm our commitment to being stewards of sustainability and responsible corporate citizens.

Thank you for your support.

Best regards,

Arun Kogta
MD and CEO,
Kogta Financial (India) Limited



About the Organisation



Kogta Financial (India) Limited, one of the fastest-growing Non-Banking Financial Company (NBFC) in western and central India, is recognised for its efficient systems and processes, a testament to its experienced and innovative management team. The Company's mission is to create a more financially inclusive ecosystem in India by catering to the credit needs of large and underserved segments of individuals and MSMEs.



KFL's clientele includes agriculture based profiles, small & medium fleet owners, road transport operators, first-time borrowers, small entrepreneurs, businesses, retail traders, and other underserved categories who seek to tap into the formal financial sector. The Company offers a diverse range of asset finance offerings, including Cars, Commercial Vehicles, Tractors, Construction Equipment, and Loan against Property/MSME Loans.

KFL's journey began in Rajasthan and has since expanded to over 200+ branches across eight states and two Union Territories, including Gujarat, Maharashtra, Delhi NCR, Madhya Pradesh, Uttar Pradesh, Punjab, Haryana, Himachal Pradesh, and Chandigarh. The Company leverages an

integrated technology platform for loan origination and an in-house portfolio management system that uses real-time data to cover enterprise-wide functions for efficient customer servicing.

With the support of over 4,500 dedicated employees, fair and facilitating business practices, and structured and trustworthy financial policies, KFL serves over 1,50,000+ customers with uncompromised customer service. The Company's focus on strengthening the retail and SME/MSME segments is backed by a highly secured retail lending mechanism, a stronghold in rising markets, dynamic IT infrastructure, efficient collection processes, and a strategic leadership team.

Now in its 26th year of operations, KFL remains committed to building a unique financial institution in small entrepreneur financing for clients across India. The Company envisages playing a larger role in increasing the NBFC sector lending in India and contributing to the country's socio-economic growth in the coming years.

In light of the recent developments, emphasising the importance of sustainable business practices, KFL is integrating UN Sustainable Development Goals (UN SDGs) and ESG principles into its business operations. The Company aims to foster positive environmental and social impact within society.

Vision



KFL's Holistic Vision

To become a "Trusted & Responsible" financial service provider in India.

KFL's ESG Vision

To ensure our services and operations are sustainable from an environmental, social and financial perspective.

Mission



To provide financial products to more and more customers in the "Most Friendly, Professional Manner" and to give growth to all our stakeholders.

Values



Great Service:

Best service for our customers



Great Work Culture:

We all need balance in life



Excellence:

Excellence in all we do



Teamwork:

Our success depends on working together



Integrity:

Keep commitments and be ethical



Respect:

Respect for all



Growth:

Growth for all stakeholders



Innovation:

Seek, imagine, create

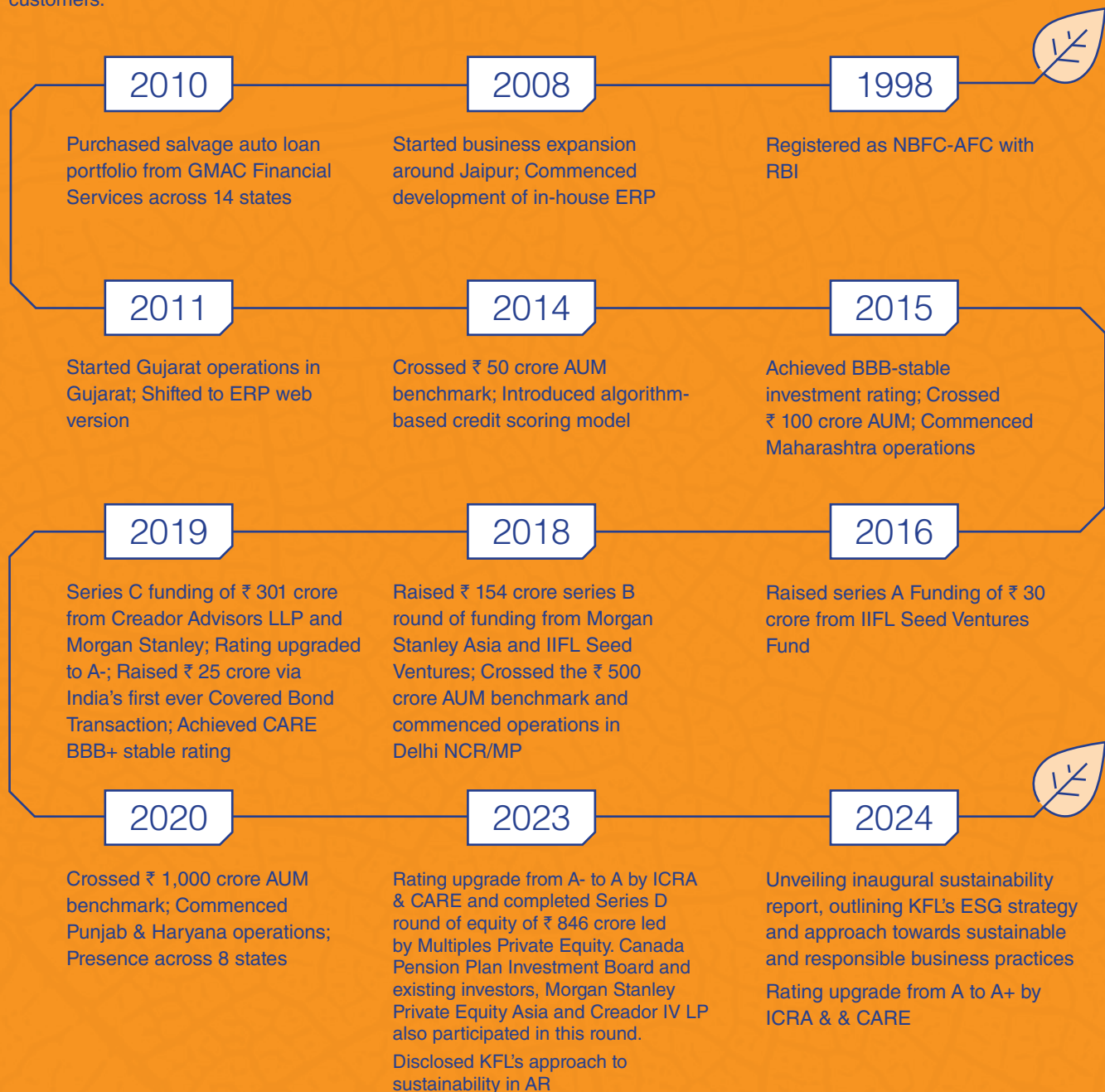


Journey of Kogta Financial (India) Limited

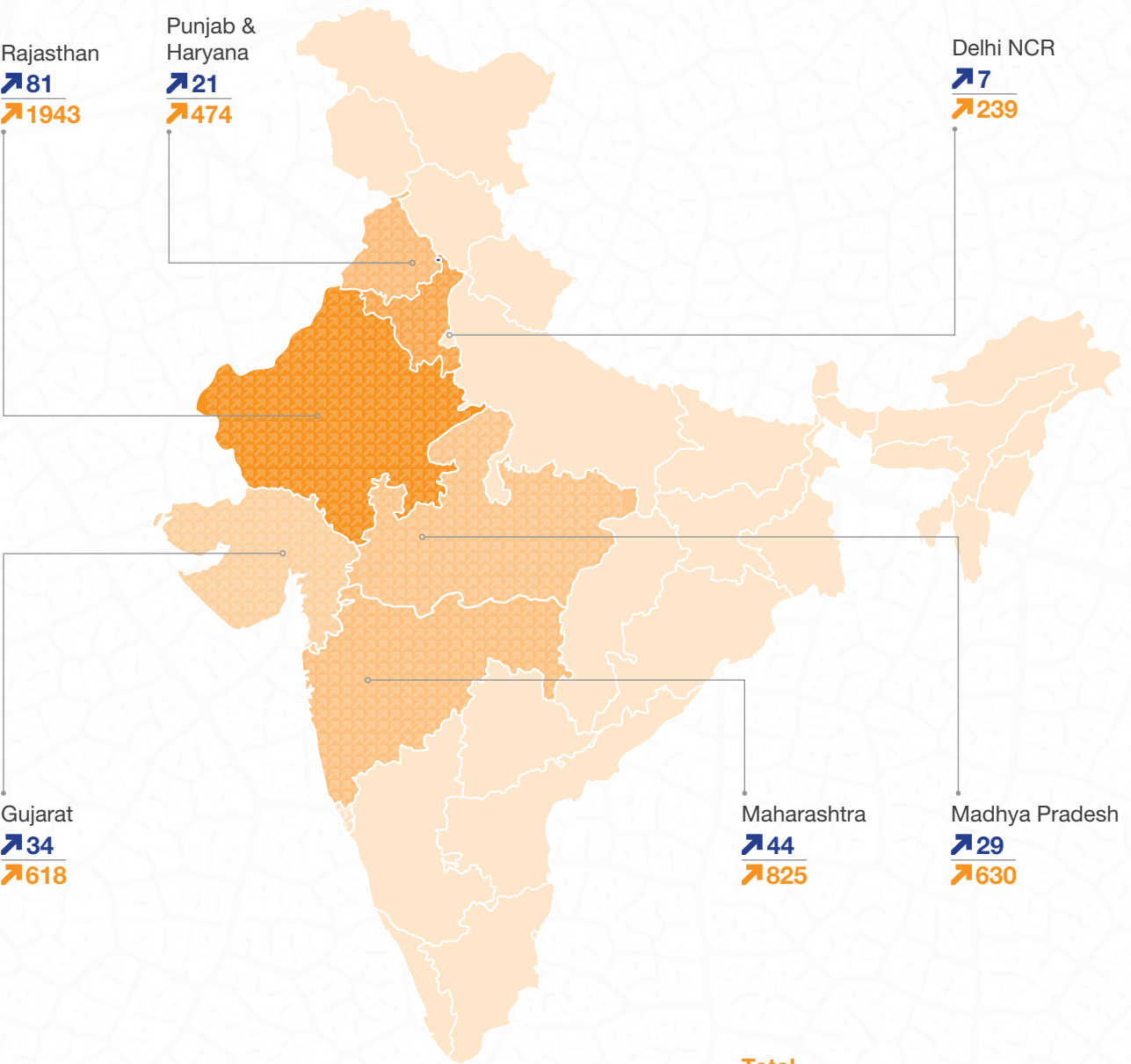
Building on the foundations of dedicated customer service, fair business practices, and safe, trusted financial policies, Kogta Financial (India) Limited has demonstrated remarkable growth over the years. Its success is underpinned by a highly experienced and competent management team that has serviced loans to over 3,00,000+ customers.

The Company has come a long way since its enthusiastic beginnings two and a half decades ago, which coincided with India's liberalisation story unfolding. It began its operations of commercial vehicle finance in 1998 and has had the privilege of being an integral part of India's transformative journey.

Over the years, KFL has had the opportunity to offer its products to a diverse range of customers. By doing so, it has become a facilitator of advancement, particularly for those at the grassroots level. This is a testament to its commitment to financial inclusivity and promoting sustainable economic growth.



Our Presence



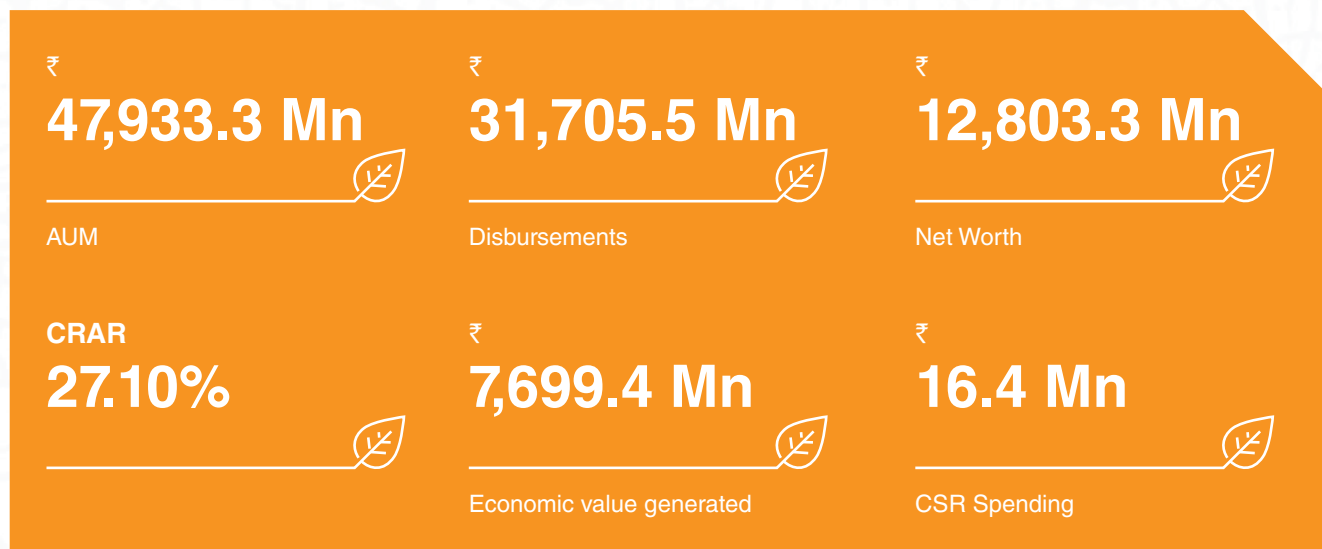
Map not to scale. For illustrative purposes only.

Total
➡ **216** Branches as on March 31, 2024
➡ **4729** Number of Employees



Highlights of Financial Performance

Key financial highlights of Kogta Financial (India) Limited:



Economic Value Generated, Distributed and Retained

Particulars	FY 2021-22	FY 2022-23	FY 2023-24
1) Economic Value Generated			
a) Revenue (₹ Million)	3,602	5,215	7,699
2) Economic Value Distributed			
a) Operating costs	239	336	425
b) Employee wages and benefits	1,014	1,491	1,960
c) Payment to providers of capital	1,461	1,902	2,940
d) Payments to government by country	404	595	658
e) Community Investments	7	11	16
3) Economic Value Retained	477	880	1,699

Note: No financial assistance (incentive/compensation) has been received from the Government

Indirect Economic Impact

Kogta Foundation, a dedicated trust managed by KFL, partnered with the Dakshiva Welfare Foundation, an NGO focussed on empowering women. Dakshiva Welfare Foundation operates a Skill Development Programme to provide women with the necessary skills to excel as entrepreneurs and artisans, alongside conducting financial literacy workshops to foster financial independence among women. In FY 2024, ₹ 5,00,000 was donated to the Foundation to support this initiative, benefiting approximately 500 women.

Furthermore, KFL extended its support to local artisans by showcasing talented women artisans at its Head Office, offering a range of unique handmade products for purchase. The employees volunteered to prioritise purchases from local vendors thereby supporting their businesses.

These initiatives reflect the Company's commitment to promote sustainable livelihoods and enhancing financial well-being among individuals. Such efforts have a significant positive impact on

society and contribute to the economic upliftment of communities. Moreover, these activities align with the United Nations Sustainable Development Goals (SDGs), particularly SDG 8: Decent Work and Economic Growth, by promoting inclusive economic growth and employment opportunities.

Awards & Recognitions



Best ESG
Performance Award
in Sustainable
Finance - in 3rd
Annual ESG Summit
& Awards 2023



Quality and
Business
Excellence Awards
at the Apex India
Corporate Ethics
Awards 2023



Positive Social
Impact category at
Creador ESG Impact
Awards 2023

Strategic Outlook

Kogta Financial (India) Limited emphasises the importance of environmentally and socially responsible businesses as the cornerstone of a sustainable and inclusive society. KFL has always encouraged financial inclusion by offering financial services and assistance to underprivileged sectors of society such as people with low-income backgrounds, women, rural populations and marginalised communities. The Company has been diligently working on improving and refining various aspects of its business. It has revamped its operations focussing on increasing efficiency and productivity, reducing costs, and improving customer

satisfaction. Key enablers of KFL's operations include efficient systems and processes, dedicated customer service, highly experienced and competent management team, transparent business policies and practices; and technology-enabled lending platform.

The ESG strategy of KFL is anchored on a firm commitment to benefit society, customers, employees, shareholders, communities, and all stakeholders in a responsible and sustainable manner. Every aspect of the organisation is being evaluated to implement procedures, tools, and resources aimed at monitoring, managing, and enhancing

all significant ESG parameters. This endeavour is poised to cultivate resilience and long-term value across KFL's operations, facilitating more efficient operations and capitalising on growth opportunities in the evolving market landscape.

To underscore its commitment towards sustainability, KFL formally established a dedicated ESG Policy in 2020, aligning with its vision and with an intention to integrate sustainability into its operations and create value in the long term, both for business and its stakeholders.

Stakeholder Engagement & Materiality Assessment



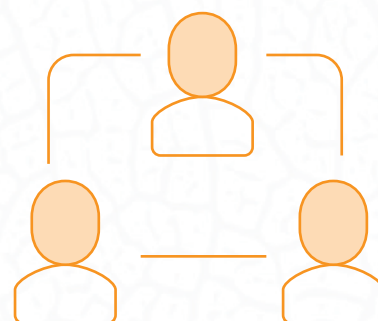
Stakeholders play a crucial role in the journey of value creation for a Non-Banking Financial Company (NBFC). Engaging with stakeholders – including clients, employees, investors, regulators, suppliers and local communities – is essential to ensure a holistic approach towards ESG integration.



Stakeholder Engagement





Embracing a collaborative and inclusive approach, KFL maintains ongoing interactions with diverse stakeholders to understand their expectations, preferences, and concerns. These valuable insights help the organisation to shape its strategies, products, and services. It enables KFL to align

its efforts more effectively with the requirements of stakeholders and the broader community.

The table below delineates the key stakeholders identified by the Company; the methods utilised to engage with them as well as the objective of these engagements:



Stakeholder Group	Mode of engagement	Frequency of engagement	Purpose and scope of engagement
 Investors/ Shareholders	<ul style="list-style-type: none"> Investor Meetings E-mails Telephones Conferences 	<ul style="list-style-type: none"> Monthly/Quarterly updates to all Investors On need basis 	<ul style="list-style-type: none"> Effective governance framework with enhanced disclosures and transparency Short-term gain and long-term business value Protection of minority shareholders' rights Enhance shareholder sustainable returns Sustainability initiatives and strategy
 Customers	<ul style="list-style-type: none"> Email & Telephonic communication One-to-one meetings Grievance redressal mechanism Feedback Channels 	<ul style="list-style-type: none"> Monthly/regular face to face interaction with customers by business and collection verticals 	<ul style="list-style-type: none"> Innovative products & feedback Understand needs & improve services Excellent customer service experience Timely response on queries and end-to-end solutions Adequacy of risk coverage & efficient claims settlement Competitive pricing Data privacy Financial literacy

Stakeholder Group	Mode of engagement	Frequency of engagement	Purpose and scope of engagement
 Employees	<ul style="list-style-type: none"> Email Direct interaction with HR Display of notices/policies Training sessions Wellness programmes Employee survey 	<ul style="list-style-type: none"> Interaction/feedback session between HR and Employee on ongoing basis Annual employee survey 	<ul style="list-style-type: none"> Capacity building Employee benefits Feedback and recognition from higher authorities Career development Safe and diverse work culture Work-life balance Employee well-being Sustainability initiatives and implementation Policies & procedures Understand community requirements Mitigate social and environmental related issues Contribution to CSR initiatives and community welfare Promote education Access to range of products
 Suppliers/ Vendors	<ul style="list-style-type: none"> Emails & Telephonic communications Regular one-to-one Vendor meetings Due diligence while engagement with suppliers 	On need basis	<ul style="list-style-type: none"> On-time settlements of invoices Fair Service-Level Agreements (SLAs) and procurement policy framework Responsible sourcing Information-Sharing on priorities and requirements Sustained business opportunities
 Media	<ul style="list-style-type: none"> Emails & Telephonic communication Display on websites Social media channels 	On need basis	<ul style="list-style-type: none"> Enhanced disclosure and transparency Leadership approach towards the underlying ESG themes Approachability for comments and verification ESG performance
 Government & Regulators	Emails and telephonic communication	On need basis	<ul style="list-style-type: none"> Internal controls and accountability Data integrity and transparency in disclosures Statutory and legal compliance Timely tax payment Supporting regulation guidelines, policies and responsible finance

KFL acknowledges that active collaboration and dialogues with all stakeholders is of paramount importance. The backbone of effective stakeholder engagement is robust communication that fosters transparency, trust,

and mutual understanding. In a continuously evolving environment, the growing expectations and grievances expressed by stakeholders need to be addressed proactively and effectively. Thus, KFL has established an internal

Stakeholder Relationship Committee to oversee matters related to stakeholder engagement. This ensures that the voice of the stakeholders is heard, understood, and actions are taken accordingly.

Materiality Assessment

Materiality in ESG involves a standardised method for identifying and prioritising significant ESG issues stemming from an organisation's substantial influence on the economy, environment, and society. KFL has undertaken a materiality assessment to pinpoint issues that significantly affect the Company's business performance, reputation, and stakeholder interests. This assessment has involved collaboration with both internal and external stakeholders to enhance KFL's ability to formulate its strategy and allocate efforts, resources, and reporting accordingly to address these material issues.

Methodology

The materiality assessment methodology employed by KFL involved several systematic steps. Initially, a comprehensive inventory of ESG issues pertinent to the Company's operations were compiled. These issues underwent rigorous evaluation, considering their potential implications on KFL's growth trajectory, business continuity, brand

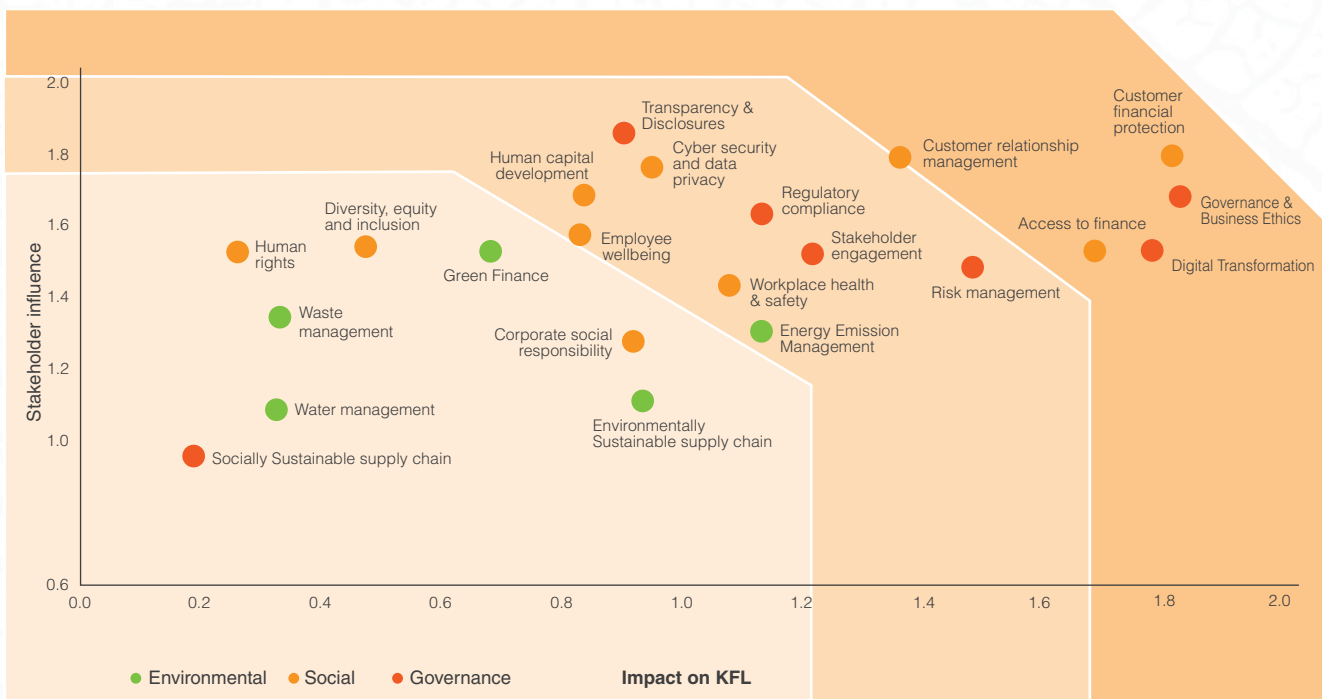
equity, and establishment of enduring strategic objectives. Furthermore, each ESG issue was meticulously scrutinised in terms of its alignment with risk factors and its efficacy in mitigating business risks. Throughout this process, KFL actively engaged both internal stakeholders (employees, leadership, and senior management) and external stakeholders (including investors, NGOs, customers, and suppliers) to solicit their invaluable insights on the significance of identified ESG concerns. The weightage of stakeholder feedback was calibrated based on their respective influence on KFL's operational landscape. Subsequently, the finalised list of material issues underwent a stringent evaluation against globally recognised benchmarks such as the United Nations Sustainable Development Goals (UNSDGs), Dow Jones Sustainability Indices (DJSI), and the Global Reporting Initiative (GRI) standards. After this comprehensive assessment, a materiality matrix was mapped, citing all material issues in accordance with their priority to the business, providing a structured

framework for strategic decision-making and resource allocation.

Materiality Matrix

Following the assessment, a materiality matrix was developed to visually depict the significance of each identified issue. This matrix categorises issues into quadrants based on their materiality and impact levels: high materiality-high impact, high materiality-low impact, low materiality-high impact, and low materiality-low impact. The X-axis represents issues pertinent to KFL, while the Y-axis represents those relevant to stakeholders. Through stakeholder engagement, ratings were collected and used to plot the issues on the matrix. Issues positioned in the upper-right quadrant are deemed high priority, indicating their substantial influence on business performance, necessitating further attention, action, and disclosure. Issues in the lower-left quadrant are considered low priority. Issues falling between the upper-right & lower-left quadrant represent medium priority.

Materiality Matrix



Material Issue	Current Practice	Linkage with GRI Standard
Governance & Business Ethics	KFL has established necessary policies for transparent, efficient operations, guided by a robust governance framework led by the Board of Directors and supported by diverse committees. Sustainability Governance structure has been established, and comprises of Board of Directors, Sustainability Committee, ESG Steering Group and ESG Implementation Team. Code of Conduct and Ethics applicable to all employees and third-party members associated with KFL.	GRI 2: General disclosures 2021
Access To Finance	KFL has developed products (vehicle and MSME lending) to help underserved communities that are low income, self-employed and informally employed. It caters to customers in 8 states and 2 UTs. KFL has a grievance redressal framework where customers can raise product-related concerns and queries. Also, financial literacy infographics are shared regularly in vernacular language for customers.	GRI 203: Indirect economic impacts
Customer Financial Protection	KFL has a Privacy Policy for Website Uses that protects user privacy and collects only that data that is lawful and in accordance with the IT Act 2000, IT Rules 2011, and other applicable laws in India.	GRI 418: Customer Privacy 2016
Customer Relationship Management	KFL has a dedicated team that monitors customer complaints and feedback. Employees are trained on communication skills, problem solving and customer service, to deliver exceptional customer service.	GRI 416: Customer Health & Safety 2016
Digital Transformation	KFL has a unique digital lending system based on appropriate risk pricing. It also has an in-house integrated technology & portfolio management system. Digitisation to reduce waste, travel, and carbon footprint.	GRI 305: Emissions 2016
Transparency & Disclosures	Effective corporate governance whose principles are centred on independence, transparency, accountability, responsibility, compliance, ethics and trust. KFL discloses clear information about company policies, procedures and operations allowing stakeholders to access relevant information and understand the organisational objectives.	Complete Set of GRI Standards
Regulatory Compliance	KFL upholds a strong corporate governance and compliance ethos. It has established adequate control systems to ensure compliance with the provisions of applicable regulations and adhere to the ethical standards. No penalties have been imposed by the regulator during the financial year ended March 31, 2024.	GRI 2: General Disclosures 2021
Risk Management	KFL has a Risk Management Committee (RMC) in place that reviews the Risk Management Policy. The RMC meets quarterly. KFL integrates ESG criteria into its operations and financing decisions for screening the material ESG risks and opportunities of every product offered. The detailed procedure for management & mitigation of material ESG risks is defined in KFL's Environmental & Social Management System (ESMS) framework.	GRI 2: General disclosures 2021

Material Issue	Current Practice	Linkage with GRI Standard
Cyber Security & Data Privacy	KFL has an IT Strategy Committee, a Board-approved IT Policy and a Board-level Risk Management Committee in place. Cert-in & ReBIT advisories to protect against cybersecurity threats. An internal team monitors cyber risks. Subscription opted for threat intelligence services. KFL has adopted a Risk-based approach and follows defence-in-depth to protect its information systems against cyber-attacks. IT risk assessment and Vulnerability Assessment & Penetration Testing is being assessed by an independent entity on an annual basis in compliance to the IS audit framework laid down by RBI. Zero incidents of data breaches reported in FY 2024.	GRI 418: Customer Privacy 2016
Stakeholder Engagement	KFL has established an internal Stakeholder Relationship Committee to address stakeholder engagement concerns and insights. There is a Stakeholder Engagement Plan in place. The Company engages with diverse stakeholders – internal (employees), and external (investors, customers, suppliers, communities, media, regulators, and Government) to identify areas of interest, expectations and create long-term value. Dedicated email complaints @kogta.in to lodge stakeholder queries or concerns.	GRI 2: General disclosures 2021
Human Capital Development	KFL conducts multiple online and in-person training sessions to enhance their employees' overall Learning & Development. ESG awareness programmes are also conducted. Programmes like "Re-energise program" and "Revive-second innings" to boost employee performance. Recognition programmes and incentives in place. Performance management programmes like career development review and performance assessment conducted. The Company is maintaining a talent pool to encourage high performance and upskill employees.	GRI 401: Employment 2016 GRI 404: Training & Education 2016 GRI 405: Diversity & Equal Opportunity 2016 GRI 406: Non-discrimination 2016
Employee Well-being	KFL covers all its employees under wellbeing benefits such as health insurance, accident insurance, maternity & paternity benefits, adoption leaves, disability and invalidity coverage, stock ownership, PF, ESIC, gratuity, employee loan, etc. Additionally, the Company offers flexible working arrangements to accommodate employees during various challenging/adverse circumstances.	GRI 403: Occupational Health & Safety 2018
Workplace Health & Safety	KFL has an on-site emergency policy that addresses serious accidents/incidents and an Employee Health and Safety policy that ensures employee health and safety at work. Safety trainings and awareness imparted for all work-related risks; trainings related to fire safety, emergency evacuation drills, first-aid training, road safety, safe driving, etc. are conducted.	GRI 403: Occupational Health & Safety 2018
Energy & Emission Management	KFL has an Environment Policy that aims to adopt energy-saving technologies and equipment across all business operations.	GRI 305: Emissions 2016

Sustainability at Kogta Financial (India) Limited



Our Approach

KFL has adopted a sustainability approach by integrating ESG consideration into the operational strategies, investment decisions, and risk management processes. The organisation has established an Environment & Social Management System (ESMS) and ESG policy to guide its actions and serve as an essential tool for embedding sustainability and responsible business practices in the operations. KFL is trying to minimise its direct environmental footprint by adopting sustainable practices such as paperless transactions, reducing energy consumption, and recycling waste. It is promoting financial inclusion by offering products and services to underprivileged and marginalised communities.

The organisation believes in high standards of corporate governance and ensures transparency, accountability, and ethical business practices. KFL also aims to assess the climate risks associated with its portfolio and operations and disclose this information to its stakeholders in the coming years.

Considering these factors, KFL has formulated its sustainability strategy based on the material issues identified during materiality assessment. This ensures that its sustainability strategy is focussed on the most relevant and significant ESG issues of business, thereby enhancing its effectiveness and impact. The organisation will continue to implement this strategy and update it as necessary to reflect evolving ESG trends and stakeholder expectations.

Environment & Social Management System (ESMS)

KFL prioritises sustainable development by embedding its Environmental and Social Management System (ESMS) into its fundamental business strategies. This system is KFL's commitment to managing environmental and social risks, ensuring responsible lending, and aligning with the triple bottom line approach that balances economic, social, and environmental impacts. KFL aims to create sustainable outcomes that resonate with its business practices and the wider sustainability goals of the planet.

The ESMS framework guides the Company through structured processes that integrate responsible lending principles within the Company's functioning, leading to sound financial practices with social and environmental benefits. KFL meticulously follows the Plan-Do-Check-Act (PDCA) model to assess and address ESG risks. This model involves planning and establishing objectives according to the ESG policy, executing the planned activities, monitoring and measuring the outcomes, and consistently working on improving ESG performance, thereby achieving the intended outcomes. The main objectives of KFL's ESMS include the maximisation of environmental and societal positive impacts and the

promotion of a strong ESG culture within the workplace. Moreover, KFL is dedicated to reducing incidents and accidents, identifying ESG risks, and deploying effective mitigation practices.

ESMS covers all the Company's activities in asset financing ensuring environmental, social, and governance risk management across all system domains. It takes into consideration both direct and indirect organisational impacts, aiming for a significant influence on ESG matters through the Company's business activities.

KFL's ESMS corresponds with established management protocols, representing a dynamic structure that is scrutinised and refined to ensure its ongoing relevance, competency, and efficiency. Through continuous enhancement, KFL stays committed to leading the charge on sustainable finance and maintaining its role as an environmentally conscious and socially responsible entity.






ESG Strategy – Goals and Targets by KFL

KFL's sustainability strategy or ESG framework is structured around three fundamental pillars i.e., Responsible, Empower & Accountable. These pillars are further divided into twelve focus areas encompassing ESG aspects.



KFL has established goals for 2030 within each focus area and has crafted a roadmap to guide its endeavours toward achieving these objectives. The organisation is committed to monitoring its progress against these targets and disclose its performance publicly, providing stakeholders with transparent insights into its sustainability efforts.

Pillar	Focus Areas	Goals for 2030
 Responsible	Sustainable Operations	25% reduction in carbon emission intensity – Scope 2 (tonnes per rupee of turnover)
	Responsible Finance	Establish an approach for financial inclusion based on the fundamental principle of 5A's (Adequacy, Availability, Awareness, Affordability and Accessibility)
	Customer Experience	Reach 60% of current customers to gather feedback, gauge satisfaction, and meet additional financial service needs
 Empower	Human Capital Development	<ul style="list-style-type: none"> • Training and development target of 3 man-days per employee per year • Achieve 10% gender diversity ratio
	Employee Wellbeing	-
	Workplace Health & Safety	Attain a safety-first workplace culture
	Corporate Social Responsibility	Establish a prominent presence in education & skill development programmes to foster employment and livelihood
 Accountable	Regulatory Compliance	End-to-end integration of technological solutions for compliance management
	Governance & Business Ethics	Establish a culture of accountability & transparency
	Risk Management	Robust risk management framework aligning with business objectives and strategic priorities
	Cyber Security & Data Privacy	Ensure 0% data breaches in customer data protection by deploying the latest multi-layer protection technology and encryption tools
	Digital Transformation	Achieve 90% digitisation in Business processes

Through this holistic approach of goal setting, roadmap development, progress monitoring and public disclosure, KFL aims to uphold its commitment to responsible business while driving meaningful impact and contributing positively to society and the environment.

These ESG goal and targets are aligned with the United Nations' Sustainable Development Goals (UN SDGs) and KFL is consciously integrating the UN SDGs, into its operations, thereby signalling its commitment to not only achieving financial success but also making a positive impact on society

and the planet. By actively contributing to the UN SDGs, the Company acknowledges the interconnectedness of social, environmental and economic issues and seeks to address them in a coordinated manner. SDG Mapping with business activities is presented at the end of the report.

Sustainability Governance



Robust Governance forms and boosts sustainable long-term value for stakeholders by endorsing ethical business practices. It encourages fairness, accountability, integrity, devotion to values, sustainability and prioritising the interest of all stakeholders during business operations. As Corporate Governance provides a structure for achieving an organisation's goals, it essentially covers every aspect of management, from internal controls and action plans to performance evaluation and corporate disclosure. KFL's transparent and nimble corporate governance system is empowered to make conscientious and informed decisions that dismiss any actions not aligned with the stakeholders' interests.

Highlights

Key performance highlights of Kogta Financial (India) Limited are as follows:

100%



of senior management roles in significant operations are occupied by local community representatives

100%



of the governance body members and employees undergo comprehensive anti-corruption training

Constitution of Sustainability Committee



Leadership Oversight

The Company's Board is composed of a diverse group of seasoned professionals hailing from various fields. Recognising the significance of diversity, the Company emphasises a wide array of perspectives, experiences, educational backgrounds, ethnicities, and personal attributes within its Board. The Board of Directors is the highest governing authority in the organisation and plays a crucial role

in guiding and overseeing how the management serves the interests of stakeholders. KFL continuously reviews its governance practices and benchmarks itself to best practices in the industry. The Board Committees focus on specific areas and make informed decisions within the authority delegated. The Board Committees are set up to carry out clearly defined roles which are considered to be performed by members, as a part of good governance practice.

The Board sets the tone for the organisation's culture and values, including its commitment to responsible business practices and sustainability. It approves the policies, procedures and strategies related to due diligence, risk management, sustainability, and corporate social responsibility. The Board monitors the organisation's performance against key indicators related to its impact on the economy, environment, and people. It regularly reviews reports on sustainability metrics,

risk assessments and compliance with relevant regulations and standards. The Board is also involved in engaging with key stakeholders to understand their concerns and expectations regarding the organisation's impacts.

The Nomination and Remuneration Committee (NRC) plays a pivotal role in managing the nomination and

selection procedures for the Board of Directors, the highest governing body. The Company has a well-established Nomination and Remuneration Policy (NRC Policy) overseen by the NRC, governing the appointment and compensation of its Directors, Key Managerial Personnel, and Senior Management Personnel.

KFL's commitment to good corporate governance is evident in its adherence to principles of business ethics and its proactive measures to mitigate conflicts of interest. A significant feature of its governance structure is the presence of six non-executive directors out of a total of nine directors which ensures that decisions are made responsibly and independently, free from undue influence.

Sustainability Governance Framework



KFL has established a sustainability governance framework with the following objectives:

- Set strategic direction for implementing the sustainability roadmap
- Manage stakeholders effectively and encourage collaboration
- Cultivate a culture of sustainability

The multi-tier governance framework is crafted to effectively integrate and

monitor Environmental, Social & Governance (ESG) principles within the organisation. Its goal is to strategically implement sustainable practices while ensuring rigorous oversight to achieve compliance and make a meaningful impact in environmental conservation, social responsibility, and ethical governance areas. This sustainability governance structure encompasses the Board of Directors, Sustainability Committee, ESG Steering Group, and ESG Implementation team.

Board of Directors

The Board is responsible in driving responsible and impactful sustainable practices within the organisation.

The Board shall act as the ultimate authority & approver for all sustainability interventions – including strategy & sustainability report. It is responsible to set sustainability goals, oversee sustainability initiatives, and ensure that sustainability considerations

are integrated into the organisation's strategy, operations, and reporting, while engaging with stakeholders to address risks and drive accountability.

Objectives:

- Integrating sustainability practices into KFL strategy
- Incorporating environmental, social, and governance consideration into decision-making process
- Promote responsible lending and investment practices
- Manage climate-related risks
- Fostering financial inclusion by providing access to finance
- Focus on transition to a sustainable and low-carbon economy

Sustainability Committee

The Committee is responsible for supervising and handling risks, as well as monitoring the ESG agenda. Sustainability Committee holds meeting at half yearly basis.

Sustainability Committee supports and advise the Board on the Company's policies, ESG risks, strategies and programmes related to ESG aspects. Responsible for strategy development, goal-setting, resource allocation (like budget, human resource and other support), performance review and paves way for continuous improvement on the overall sustainability goals. Additionally, Sustainability Committee is also responsible of monitoring and reviewing the risk management plan, sustainability, and other such functions, as may be delegated by the Board from time to time.

Objectives:

- Oversee sustainability strategy and continuously monitor and evaluating the organisation's progress
- Actively monitors and reviews current and emerging risks and maintain effective internal control systems
- Monitor and oversee implementation, including evaluating the adequacy of risk management systems

- Oversee risks and / or opportunities from an Environmental (E), Social (S), and Governance (G) perspective
- Ensure readiness toward future ESG regulations

ESG Steering Group

The ESG Steering Group implements the approved sustainability initiatives at organisational level and tracks the improvements. It comprises the Chief People Officer, ESG Compliance Officer and ESG Officer and meets on a quarterly basis.

ESG steering group identifies the ESG opportunities at all applicable areas, implement the improvements and undertake actions on the initiatives in coordination with respective function.

Objectives:

- Frame a sustainability roadmap and organisation's ESG strategy
- Coordinate with the cross-functional team and oversee implementation of the initiatives
- Engage with internal & external stakeholders to gather input and feedback on ESG matters
- Maintain transparency and analytical approach towards sustainability data
- Monitor compliance with ESG regulations
- Study and share industry best practices on ESG to the Sustainability Committee

ESG Implementation Team

This team ensures that the ESG programmes are implemented, and results are recorded and communicated. It meets on a monthly basis.

Implementation team is responsible for implementing the ESG programmes across the organisation relevant to their functions and responsibilities. It monitors and reports the performance indicators to the steering group. The team comprises of functional level representatives (team

lead and members) assigned by the functional head.

Objectives:

- Develop implementation plan for the ESG programmes with assigned responsibilities
- Project execution as per the implementation plan
- Monitor and record the Quantitative and Qualitative benefits of the ESG programme
- Communication on the programme status to the ESG Steering Group and other relevant stakeholders
- Work towards continual improvement
- Provide data for the key performance indicators to the respective function head
- Implement activities on ground and identify opportunities

Policies

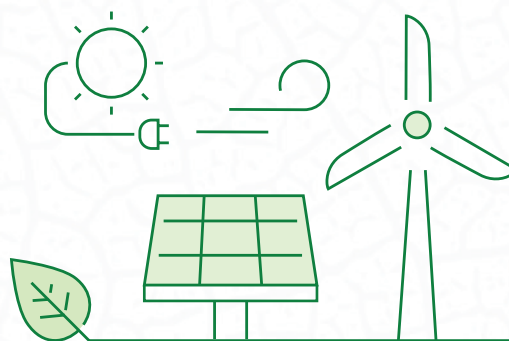
KFL has implemented several crucial policies, code of conduct, and guidelines to integrate ESG considerations into its operations.

These policies cover a wide range of areas, including environmental stewardship, diversity and inclusion, human rights, anti-corruption, and ethical business practices. By formalising these policies, KFL sets clear expectations for its employees, suppliers and partners, guiding them towards responsible behaviour and actions that align with sustainability objectives. It establishes a strong foundation for ESG integration, fosters a culture of accountability and transparency, and mitigates risk associated with environmental, social and governance issues. Furthermore, these initiatives contribute to building trust and credibility with stakeholders, enhancing the Company's reputation as a conscientious entity. The policies developed and implemented by KFL are as below:



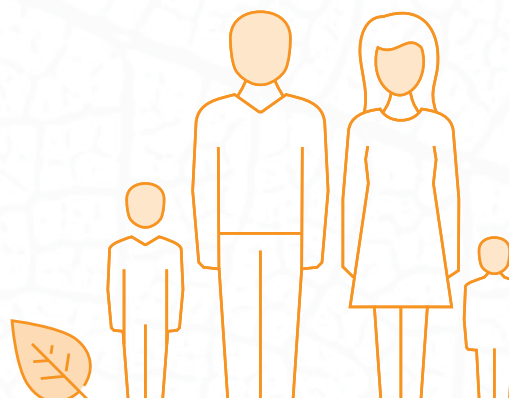
Environmental

- ESG Policy
- Environment Policy*
- Waste Management Policy*



Social

- Human Resource Policy
- Corporate Social Responsibility (CSR) Policy
- Fair Practices Code
- Information Technology Policy
- Privacy Policy for website use (Part of IT Policy)
- Prevention of Sexual Harassment at Workplace Policy
- Procurement Policy*
- Employee Health & Safety Policy*
- On-Site Emergency Policy



Governance

- Code of Conduct and Ethics
- Code of Responsible Investing*
- Co-Lending Policy
- Risk Management Policy
- Business Continuity Policy (Disaster Recovery Policy is part of Business Continuity Policy)
- KYC and AML (Anti-money laundering) Policy
- Anti-Bribery and Anti-Corruption Policy
- Whistle Blower and Vigil Mechanism Policy
- Stakeholder Engagement Plan*
- Grievance Redressal Policy
- Nomination & Remuneration Policy



*Part of ESG Policy

Ethics & Compliance

KFL is committed to maintaining the highest standards of ethics and compliance. The Company has established a robust structure to ensure adherence to ethical business conduct and compliance with all applicable laws, rules, and regulations. KFL has implemented various policies, including an Anti-Bribery and Anti-Corruption Policy, to guide all employees, directors, and associated persons in maintaining compliance. The Company also conducts training to make employees aware of corrupt practices, trade-based money laundering events, and the mandatory compliance of the Company's Code of Conduct. The organisation also offers training programmes for its workforce to identify possible corrupt actions, trade-associated money laundering,

and to ensure adherence to the Know Your Customer (KYC) and Anti-Money Laundering (AML) guidelines set by RBI.

Furthermore, KFL has a vigil mechanism in place to report unethical behaviour, suspected or actual fraud, or violation of the Company's code of conduct and personnel policies. This mechanism ensures standards of professionalism, honesty, integrity, and ethical behaviour, providing adequate safeguards against the victimisation of employees who avail of the mechanism. In FY 2023-24, no disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption on Directors/KMPs/employees.

KFL introduced a digital Compliance Management Tool, offering a comprehensive view of compliance status with features like live dashboards for delayed and overdue tasks, compliance calendar, and proof of compliances. It maps compliances to relevant stakeholders based on criticality, location, and department. The first pilot was launched for the Corporate Office.

As of FY 2023-24, no incidents of non-compliance concerning marketing communications were reported.

Tax Compliance

KFL has a robust system in place for ensuring compliance with tax regulations, monitored and documented through an internally developed tracking system. The organisation upholds strict



standards through regular internal and external audits, ensuring transparency and adherence to fiscal responsibilities.

The Compliance Management Tool includes digital tax compliance tracker which has significantly enhanced company's capabilities by providing a comprehensive view of any delayed or overdue compliances, maintaining an organised compliance calendar, and tracking both executed and reported compliances. This tool has been instrumental in facilitating the timely payment of taxes and ensuring that all tax deposits are made regularly to the appropriate authorities, reinforcing KFL's commitment to full compliance and fiscal integrity. By leveraging technology to streamline tax compliance processes, the Company not only strengthens its internal controls but also enhances its overall efficiency and accuracy.

Responsible Lending

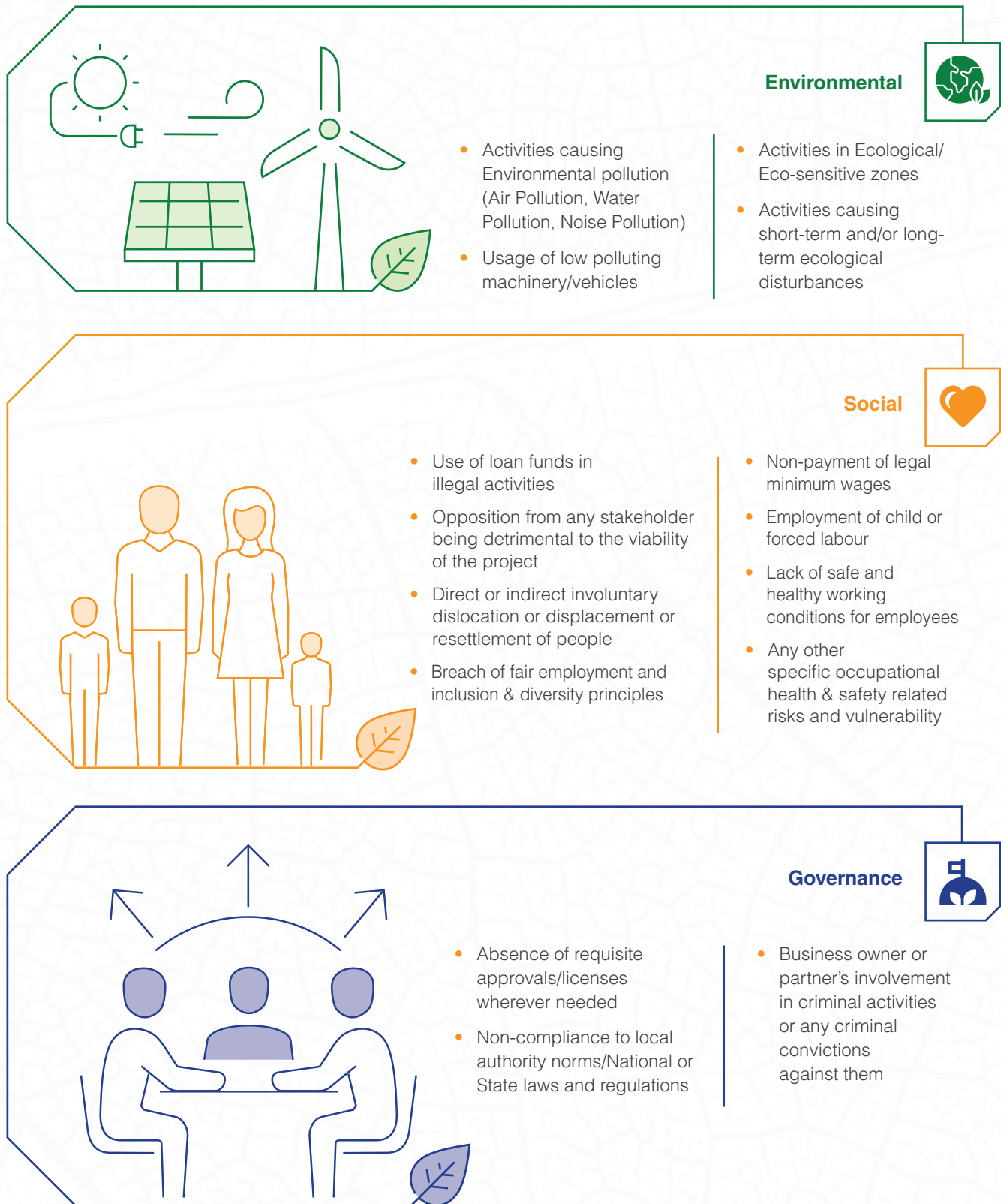
KFL incorporates Environmental, Social, and Governance (ESG) criteria into its operational and financing decisions. It conducts ESG due diligence on its product offerings to identify potential ESG risks and ensure compliance with ESG standards. This integration screens for material ESG risks and opportunities during lending procedure, ensuring sustainability from environmental, social, and financial standpoints. The inclusion of ESG within the Company's financing decisions commences during due diligence and continues throughout the credit phase. By including ESG considerations in both operational and financing decisions, KFL is taking proactive steps to ensure that its activities are aligned with best practices for sustainability and ethical conduct.

Each proposal is subject to a quantitative assessment via an **ESG checklist** and must achieve a minimum required ESG risk score to move forward. Proposals that fail to meet this threshold gather further high-level screening by senior management. KFL strictly adheres to the prohibited investment activities list of the Asian Development Bank (ADB) and the International Finance Corporation's (IFC) Performance Standards on Social and Environmental Sustainability, conscientiously refraining from conducting business with any excluded entities.

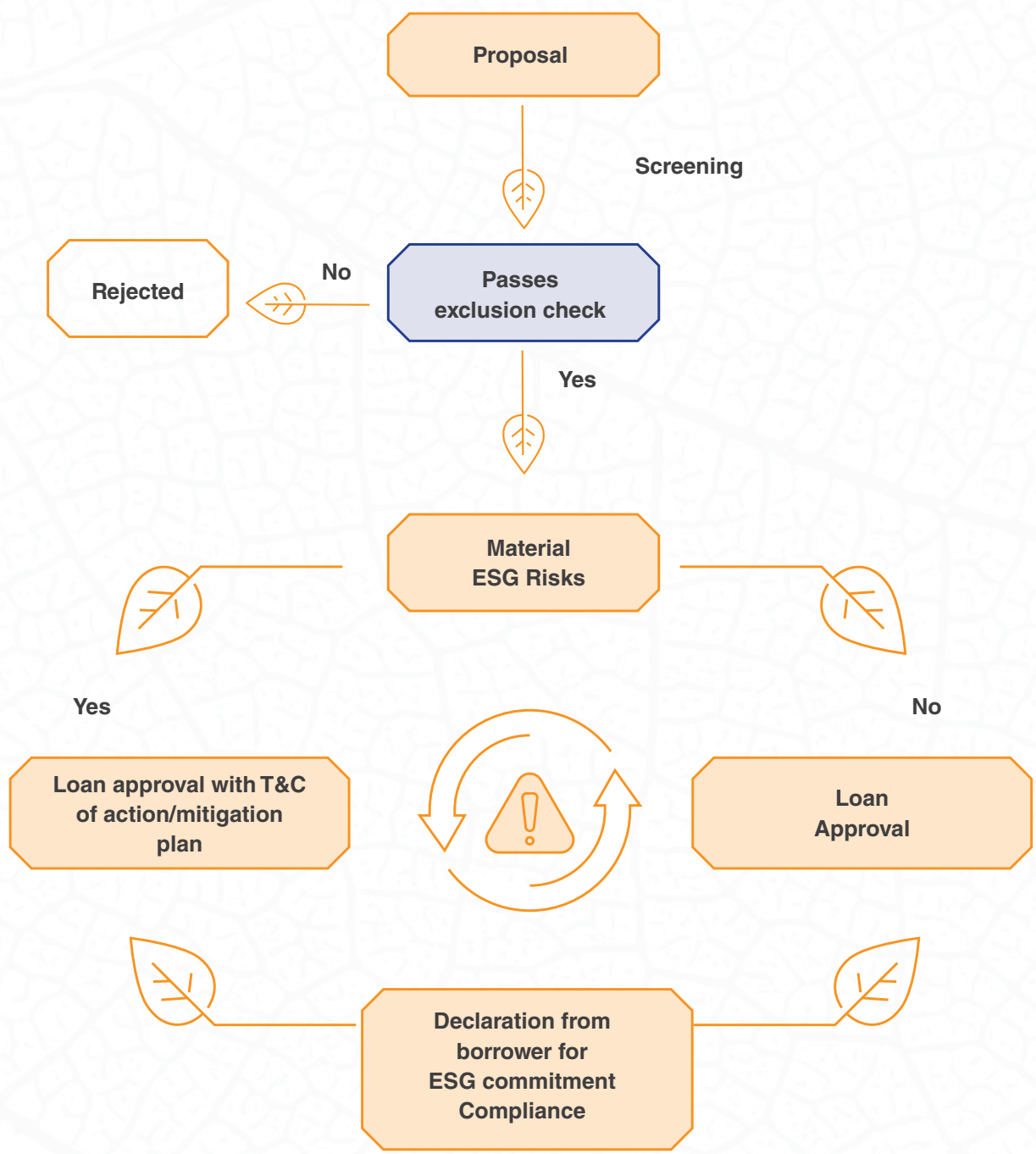
Should the screening or diligence process identify substantial risks, the borrower must construct an action plan in consultation with KFL to mitigate these risks or monitor ongoing progress concerning ESG aspects, as necessary.



Key concerns that are checked during ESG due diligence include:



The Company also obtains a formal declaration (ESG declaration) from these borrowers and vendors, as an acknowledgement and commitment to meeting its ESG criteria outlined in the ESG policy, throughout the duration of engagement.




ESG Due Diligence Procedure

Environment Stewardship



Highlights

Key environmental performance highlights of Kogta Financial (India) Limited are as follows:

22.7% 

Reduction in energy intensity from previous FY

21.3% 

Reduction in emission intensity from previous FY

100% 

E-waste disposal through authorised recyclers

~3,000 

Trees planted through various employee volunteering and CSR initiatives

Sustainable Operations

Recognising its role within the larger environmental ecosystem, KFL is deeply conscious of the impact its business activities may have on the environment. In light of prevailing environmental challenges, including climate change, KFL has undertaken ongoing efforts in energy management and, waste management, with the aim to minimise its ecological footprint and thus safeguard the environment and those who inhabit it.

KFL remains unwavering in its dedication to reducing its environmental impact and strives to be sustainably responsible by adhering strictly to Environmental, Social, and Governance (ESG) principles. In demonstrating this commitment operationally, KFL has laid down a set of eligibility criteria to ensure that financed vehicles and MSME activities are eco-friendly.

Energy & Emissions

KFL recognises the importance of energy management and environmental stewardship in its pursuit of sustainability. As part of its commitment to reducing its environmental impact, KFL has implemented a series of initiatives aimed at conserving energy, reducing emissions, and promoting sustainable practices across its operations. These initiatives underscore KFL's dedication to fostering a greener and more sustainable future.

Energy Management Initiatives:

KFL understands the significant impact that energy management has on the environment. To address this, the Company is actively monitoring its energy consumption, investing in

energy-efficient solutions such as LED lighting, and promoting smart usage of electronic devices. Employees are educated on the importance of conserving energy, including the simple act of turning off equipment when it's not needed. These steps are part of KFL's broader strategy to reduce energy use and decrease the Company's carbon footprint.

Digitalisation for Environmental

Gains: The shift towards digital operations represents another critical dimension of KFL's sustainability agenda. This transition is designed to minimise paper use, thereby reducing the Company's indirect emissions and contributing to more efficient governance.

Initiatives:



- For businesses causing environmental pollution, KFL requires mitigation plans and promotes less carbon-intensive methods.
- Digital technology is largely adopted to conduct paperless loan processing.
- To combat plastic pollution, disposable plastic water bottles are being replaced by sustainable glass bottles in KFL's meeting areas.
- Annual review meetings are organised at green building certified hotels as an environmentally responsible practice.
- Only vehicles with a valid Pollution Under Control (PUC) certificate are sanctioned.

Comprehensive Emissions Tracking:

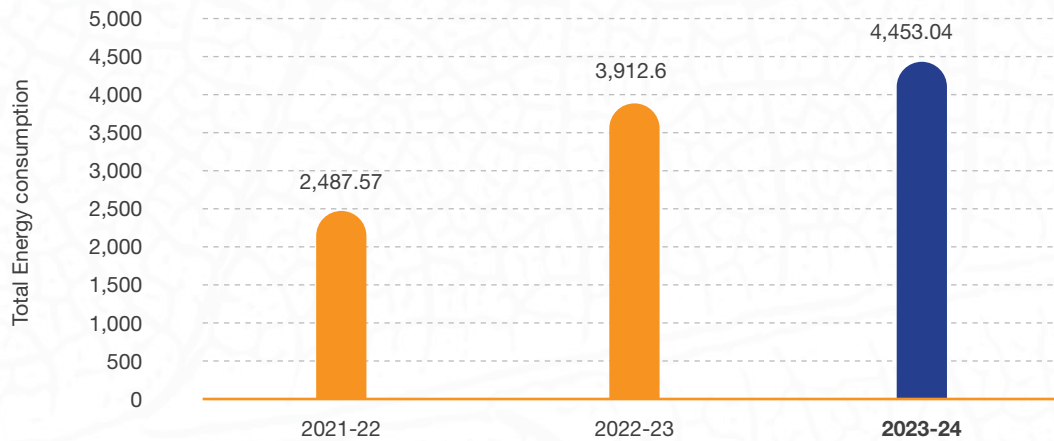
Currently focussed on Scope 2 emissions, KFL's environmental strategy includes the measurement and management of emissions from electricity consumption and e-waste. With plans to broaden the scope of monitoring to include Scope 3 emissions, KFL is laying the groundwork for a future where all aspects of its emission profile are managed with precision.

During the reporting period, KFL's total electricity consumption was 4,453.04 GJ, resulting in Scope 2 emissions (attributed to purchased electricity) of 1022.96 tonnes of CO₂. These figures reinforce KFL's dedication to closely monitor and improve its energy usage in line with environmental sustainability goals.

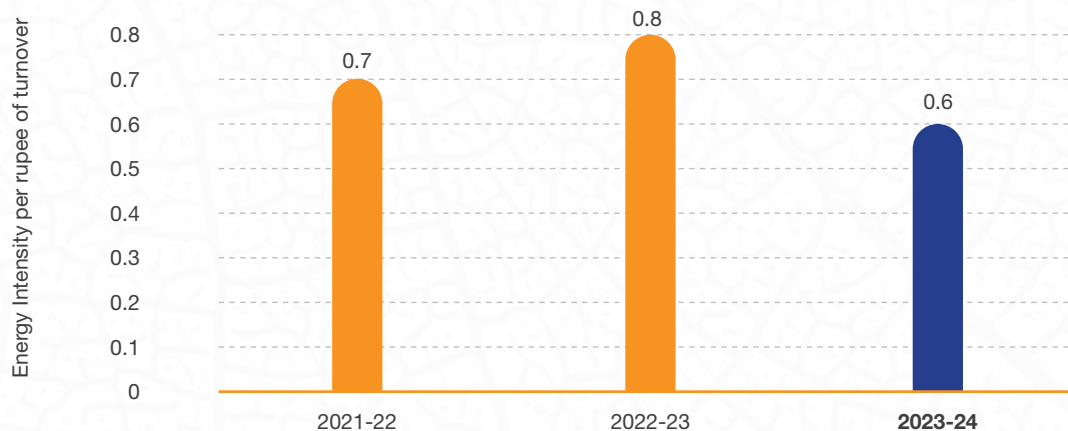
Particulars	FY 2021-22	FY 2022-23	FY 2023-24
Total electricity consumption (A) (GJ)*	2,487.57	3,912.60	4,453.04
Total fuel consumption (B) (GJ)	NA	NA	NA
Energy consumption through other sources (C) (GJ)	NA	NA	NA
Total energy consumption (A+B+C) (GJ)	2,487.57	3,912.60	4,453.04
Energy intensity per rupee of turnover (Total energy consumption/turnover) GJ per ₹ Million Turnover	0.7	0.8	0.6

*GJ = Giga Joules

Total Energy consumption (GJ)

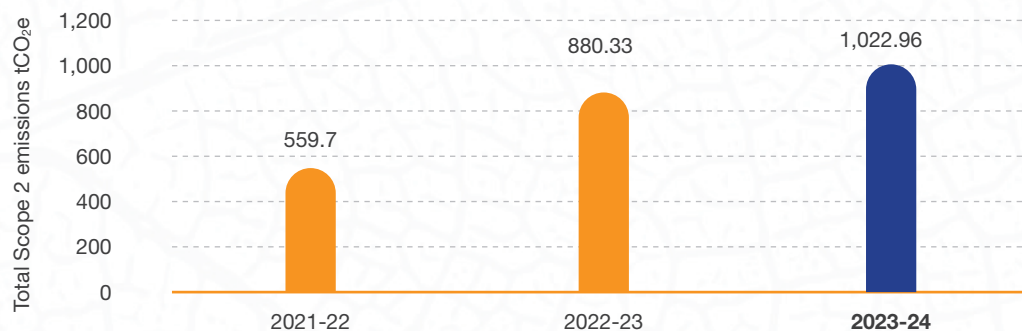
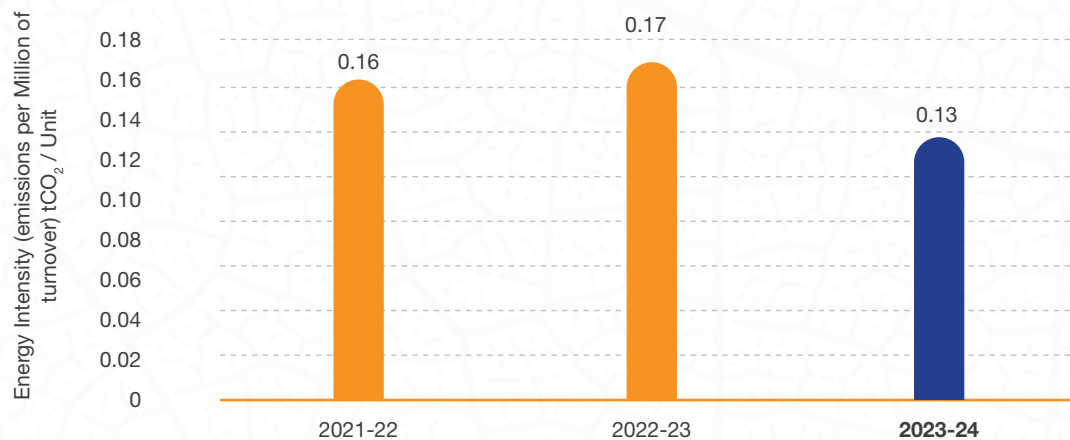


Energy Intensity per rupee of Turnover (Mn)



The emissions are calculated as per GHG protocol and relevant factors are derived from The Intergovernmental Panel on Climate Change (IPCC). Details of Scope 1 & 2 emissions are presented in the table below. As stated earlier, KFL is planning to initiate quantification for Scope 3 emissions, creating a more robust GHG inventory

Particulars	Unit	FY 2021-22	FY 2022-23	FY 2023-24
Total Scope 1 emissions	tCO ₂ e	NA	NA	NA
Total Scope 2 emissions	tCO ₂ e	559.70	880.33	1,022.96
Total Scope 1 & Scope 2	tCO ₂ e	559.70	880.33	1,022.96
Emissions Intensity (emissions per Million of turnover)	tCO ₂ / Unit	0.16	0.17	0.13

Total Scope 2 emissions tCO₂e**Emissions intensity per rupee of Turnover (Mn) tCO₂/Unit****Waste Management**

KFL has implemented measures aimed at identifying and efficiently managing waste. Given the nature of its operations, the organisation deems dry waste (mainly paper) and e-waste as significant, thus placing waste minimisation and management high on its list of priorities.

The Company has implemented waste segregation practices at its facilities, ensuring that dry waste and e-waste are separated at the source. This segregation facilitates efficient handling and processing of these waste types, enabling proper recycling or disposal methods to be employed. In addition to waste segregation, KFL emphasises waste minimisation by adopting digital alternatives. E-waste generated is being monitored, recorded and disposed in an environment-friendly manner.



Waste Management Initiatives



KFL strives towards reducing waste and maximising recycling, focussing on limiting paper use through digital platforms.

Paperless procedures, such as the digital onboarding process, are implemented throughout the Company whenever possible.

Disposal of e-waste, consisting mainly of outdated IT assets, is carefully managed in line with government regulations, with 0.439 tonnes correctly disposed of in the reporting year.

In FY 2023-24, no non-compliance with environmental laws and/or regulations have been reported.

S. No.	Parameter	Unit	FY 2022-23	FY 2023-24
1.	E-waste generated	Metric Tonnes	0.51	0.44
2.	E-waste sent to authorised recyclers	Metric Tonnes	0.51	0.44
3.	Waste intensity per rupee of Turnover (MT/ Mn) (Total waste generated / Revenue from operations)	(MT / Mn)	0.000098	0.000057

By substituting disposable plastic water bottles with sustainable glass bottles in the meeting areas, KFL is cutting down on waste and environmental contaminants. Effective waste management by the Company and embracing the principles of circular economy will contribute to resource efficiency, environment conservation and economic resilience.

Water Management

Recognising water as a valuable natural resource, KFL holds its conservation in high regard. However, the nature of KFL's business and its operations do not require intensive water usage.

Given the locales in which the organisation operates and its associated business activities, KFL ensures there are no negative impacts related to water on surrounding communities in its operational areas. The Company's water consumption is primarily for domestic purposes within the organisation.

Parameter	FY 2022-23	FY 2023-24
Total volume of water consumption (in kilolitres)*	43,943.62	52,004.92
Water intensity per rupee of turnover (Total water consumption in KL / per Million of turnover)	8.4	6.8

* Estimated calculation @45 litres per person per day as per National Building Code rules

Continuous monitoring of the water consumption serves as the initial step towards comprehending usage patterns and pinpointing opportunities for enhancement. In order to curtail water wastage, awareness initiatives have been included as a part of training programmes organised within the organisation. It is ensured that water is used consciously and responsibly thus promoting

efficient consumption and contribution to sustainable water management practices.

Digitalisation in Operations

KFL is transitioning to paperless system by digitising its business processes. In its ongoing effort to minimise environmental impact, it has embraced sustainable practices like paperless transactions, employee

onboarding, digital loan process cycle etc. This significantly reduces its reliance on paper and improve operational efficiency. It also decreases the waste generated by paper products and the carbon footprint associated with paper manufacturing, transportation, and disposal.



Plantation Initiatives

Viewing tree planting as a potent symbol of life, the Kogta Foundation embarked on a mission to safeguard and nurture the environment. As of FY 2023-24, a total of 2,986 trees were planted by KFL across India as part of their commitment to fostering a sustainable ecosystem.

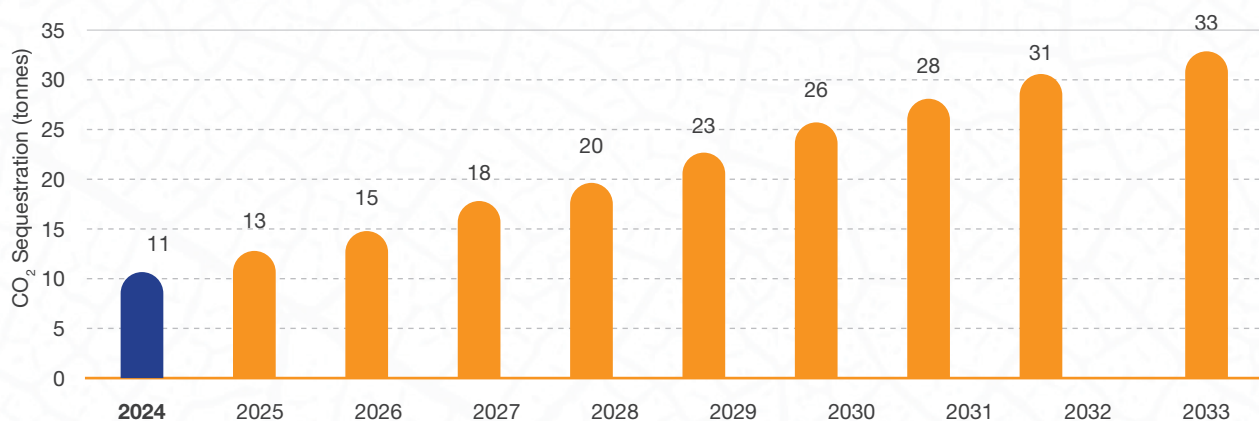


State	Cities	Types of trees planted
Rajasthan	Jaipur	Lemons, Chikoo, Guava, Thai Apple, Ber, Mulberry, Pomegranate
Delhi	Delhi	Baheda, Amaltas, Mehendi, Bougainvillea, Neem
Gujarat	Ahmedabad	Bitter Neem
MP	Indore, Bhopal, Jabalpur, Neemuch, Mandsaur, Alote, Shamgarh, Narsinghpur, Ratlam	Mango, Almod, Shrami, Pepli, Red Maple
Punjab & Chandigarh	Moga, Chandigarh	Bargad, Fig, Night-Blooming Jasmine, Marigold
Maharashtra	Pune, Kolhapur, Sangli, Vasai, Boisar, Thane, Nashik, Borivali	Mango, Ashok Plant, Bamboo, Imli, Bael, Bhana, Spanish cherry
Haryana	Karnal, Rohtak, Panipat, Yamunanagar, Ambala, Kurukshetra, Kaithal, Hisar, Gohana, Sonipat, Bhiwani, Sirsa	Chinaberry, Eucalyptus, Neem, Katsagon, Java Plum, Mango, Curry Tree

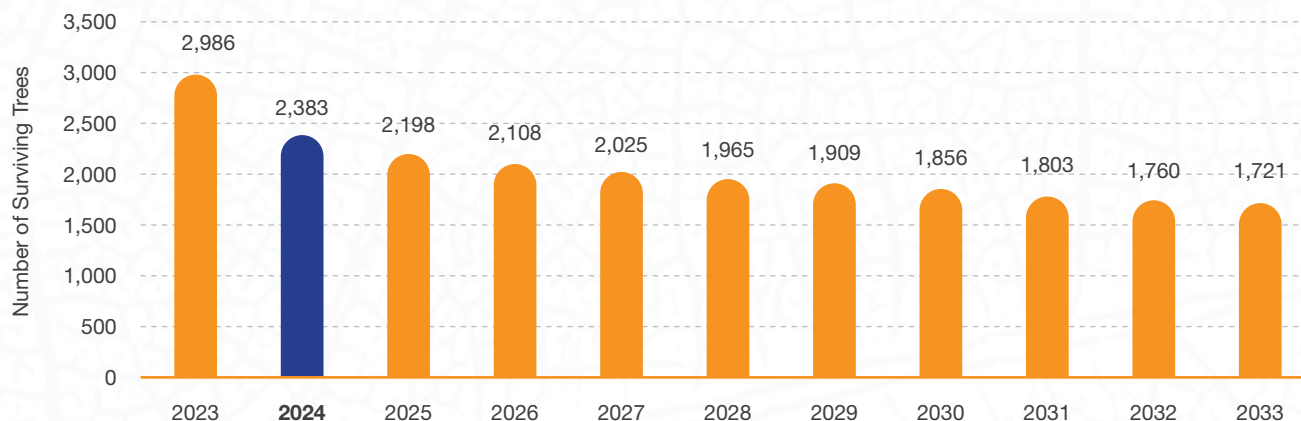
Parameter	FY 2023-24
Total no. of trees planted through plantation drives	603
Additional trees planted as part of CSR activities	2,383
Total no. of trees planted by KFL in FY 2023-24	2,986

CO ₂ Sequestration per year											
Year	0	1	2	3	4	5	6	7	8	9	10
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
CO ₂ Sequestration (tonnes)		11	13	15	18	20	23	26	28	31	33
Number of Surviving Trees	2,986	2,383	2,198	2,108	2,025	1,965	1,909	1,856	1,803	1,760	1,721

CO₂ Sequestration (tonnes)



Number of Surviving Trees



Sustainable Supply Chain

KFL is committed to responsible lending practices, which extend to its relationships with suppliers.

Responsible Sourcing

KFL has established a procurement policy to foster a culture of sustainability throughout its supply chain. This policy aims to guide the Company on efficient, fair and ethical procurement process that optimise both value-for-money and social and environment sustainability. It provides for procurement of goods

and services that has minimum environmental impact and implement good labour standards and working conditions.

The Company ensures that its suppliers uphold human rights and labour laws, including the prohibition of child/ forced labour, through a duly signed ESG declaration from them. This commitment to responsible lending and business practices helps KFL maintain a sustainable and ethical supply chain.

This self-declaration by suppliers, attests their compliance with the Company's predetermined, transparent, and non-discriminatory ESG commitments highlighted in the ESG policy.

KFL has allocated 100% of its procurement budget to local suppliers, who operated across PAN India. No suppliers with significant actual or potential negative social impacts were identified within KFL's supply chain.

Supplier Assessment

KFL is now planning to implement a new initiative of supplier assessment programme aimed at evaluating key suppliers based on ESG aspects. Through this program, KFL will systematically assess its supplier's performance in areas such as environmental impact, social responsibility, and corporate governance practices. The assessment process will involve gathering relevant data and information from supplier through a survey questionnaire regarding their ESG performance, including environment management practices, labour standards and ethical business conduct.

In addition to the assessment, KFL plans to engage with its suppliers through awareness sessions designed to raise their knowledge of sustainability related issues. These initiatives demonstrate KFL's commitment to responsible sourcing practices and its efforts to promote sustainability across its business operations.

In the reporting year, KFL conducted a Vendor Satisfaction Survey to gain insight into the overall satisfaction level of its business partnerships. The survey, administered through Google Forms, aimed to assess various aspects including interaction with KFL representatives during the empanelment

process and adherence to company policies, adequacy of information shared with vendors, transparency in work progress reporting, assistance provided in conflict resolution, efficiency of invoice management and payment release processes, and timely communication of changes in company procedures. The survey results indicated a high level of satisfaction, with 92% of vendors expressing satisfaction across these parameters.

Social Capital



KFL is committed to driving positive societal impact across various dimensions. Through Human Capital Development, the Company prioritises human rights, Diversity, Equity, and Inclusion (DEI), ensuring health and safety, promoting employee wellness, and fostering talent management. In the realm of Corporate Social Responsibility (CSR), KFL emphasises governance, thematic areas of focus with corresponding projects, and employee engagement in volunteering efforts. Furthermore, in its pursuit of Customer Centricity, KFL focusses on bolstering customer relationships through robust customer relationship management practices while upholding consumer financial protection measures. There has been no negative impact on the local communities due to operational activities.

Highlights

Key performance highlights of Kogta Financial (India) Limited are as follows:

Launched pilot program
**Empower Her
2024**



dedicated to women hiring

22%



women diversity in the
Board

100%



return to work rate from
parental leave

Average 7 hours of training
per employee;

**40%
increase**



from previous FY

5



specialty-abled
employees



Access to Finance

Financial inclusion plays a pivotal role in ensuring equitable access to financial services, especially for underserved and marginalised communities. Recognising this importance, KFL is unwavering in its commitment to fostering financial inclusion initiatives tailored to these communities. The Company's efforts extend beyond mere access, aiming

to enhance digital literacy and provide essential tools for managing financial risks. KFL endeavours to offer accessible and affordable products, financial literacy and educational initiatives to empower individuals in making informed financial decisions. In FY 2023-24, KFL has served 80,140 customers, amplifying its commitment to financial inclusion.

To materialise this commitment, KFL has initiated several programmes focussed on enhancing financial inclusion. The Company's emphasis on vehicle and MSME lending addresses the unmet demand for credit and facilitates greater financial access for underserved communities.

Particulars	No. of Loans	Amount (In ₹ Mn)	% of Amount
MSME customers	50,676	23,768.23	76.10%
New to Credit Customer	16,576	6,076.66	19.30%
Women Borrower	33,974	14,981.65	47.96%

Additionally, KFL is planning to initiate financial literacy programmes for customers and communities aimed at educating individuals on financial management, thereby empowering

them to navigate their financial journey effectively. It is also focussing on supporting MSME enterprises in rural & semi-urban areas to facilitate their growth and provide them with necessary

resources/services to thrive. Through these initiatives, KFL seeks to empower individuals, stimulate economic growth, and contribute to the broader goal of financial inclusion.



Human Capital Development

Kogta Financial Limited (KFL) considers its human capital as its most valuable asset, instrumental in shaping and driving its sustainability mission while enabling positive economic, social, and environmental outcomes. Investment in employees contributes not only to their personal and professional development but also enhances KFL's longevity and overall sustainability. To develop, nurture, and retain this human capital, KFL implements a variety of strategic initiatives.

The Company prioritises human capital development, firmly committed to upholding human rights, fostering workforce diversity and inclusion, and ensuring employee health and well-being. Demonstrating a paramount focus on health and safety, KFL conducts regular training sessions in fire safety, basic first aid, and mock drills. Additionally, KFL implements annual preventative health check-ups and wellness programmes to support physical and mental well-being, emphasising work-life balance by providing generous leave benefits. As

a key aspect of its talent management strategy, KFL offers extensive training to enhance skills and keep staff updated with evolving sector dynamics. These initiatives underscore the pivotal role of human capital development in KFL's pursuit of sustainability.

Human Rights

At Kogta Financial Limited (KFL), a strong commitment to human rights is deeply ingrained in its organisational culture. This commitment is evident through various initiatives aimed at ensuring a safe and respectful environment for all employees and stakeholders. Some of KFL's initiatives in the realm of human rights are listed below:

- Regular training programmes for employees to raise awareness and adherence to human rights principles, including topics such as POSH (Prevention of Sexual Harassment), non-discrimination, and equal opportunity
- Comprehensive assessments of business activities and office setups to identify potential negative

social impacts, particularly related to land acquisition, resettlement, and rehabilitation

- Prohibition of exploitative labour practices and child labour, reinforced through stringent criteria for vendors and suppliers
- Targeted training provided by security agencies to facility attendants stationed at KFL's locations, covering aspects of security, safety, etiquette, and personal conduct
- E-mailer on KFL's Whistleblower Policy circulated to all employees
- Well-defined HR policy to clearly state the conditions for prohibition of child and forced labour, equal employment and advancement opportunities etc
- The organisation has an Internal Complaints Committee (ICC) for addressing workplace sexual harassment issues as per the 2013 Act. The ICC investigates complaints, recommends action, and prepares an annual report on its work

In FY 2024, KFL witnessed significant results from these initiatives, with no complaints related to sexual harassment, human rights infringements, child labour, or forced labour, wages received. However, three (3) complaints were received related to discrimination at workplace, all of which were satisfactorily resolved.



Training on human rights policies and procedures

Employees who have been provided training on human rights issues and policies						
Category	FY 2022-23			FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Total employees	3,989	2,959	74.17	4,729	4,320	91.35%

Details on investments or agreements related to human rights

Requirement	Unit	FY 2022-23	FY 2023-24
No. of significant investment contracts identified for inclusion of Human Rights clause	No.	100%	100%
Percentage of investment Contracts/Agreements having Human Rights Clause	%	100%	100%
Percentage of suppliers, contractors & other business partners that have undergone human rights screening	%	NA	NA

Wages and Compensation

By instituting a policy of uniform minimum wages regardless of gender, KFL demonstrates its commitment to fostering inclusivity and fairness in the workplace, aligning with the

fundamental principle of equal pay for equal work, which seeks to eliminate wage disparities based on gender, race, or other protected characteristics.

The Company is also planning for conducting gender pay gap assessment, recognising the importance of ensuring equality within its workforce.

Significant locations of operations	Employee Category	Average Annual Remuneration of Men (₹)	Average Annual Remuneration of Women (₹)	Ratio of Basic Remuneration of Women to Men
All offices	Board of Directors (BoD) ¹	11.3 Mn	-	-
	Key Managerial Personnel ²	5.32 Mn	-	-
	Employees other than BoD and KMP	0.38 Mn	0.36 Mn	0.9

¹BoD – Total count is 9 which includes 3 executive directors. The remuneration of 3 executive directors is considered for the calculation of median.

²KMP - Total count is 6 which includes 3 executive directors as well. Remuneration data is considered for KMPs other than 3 executive directors.



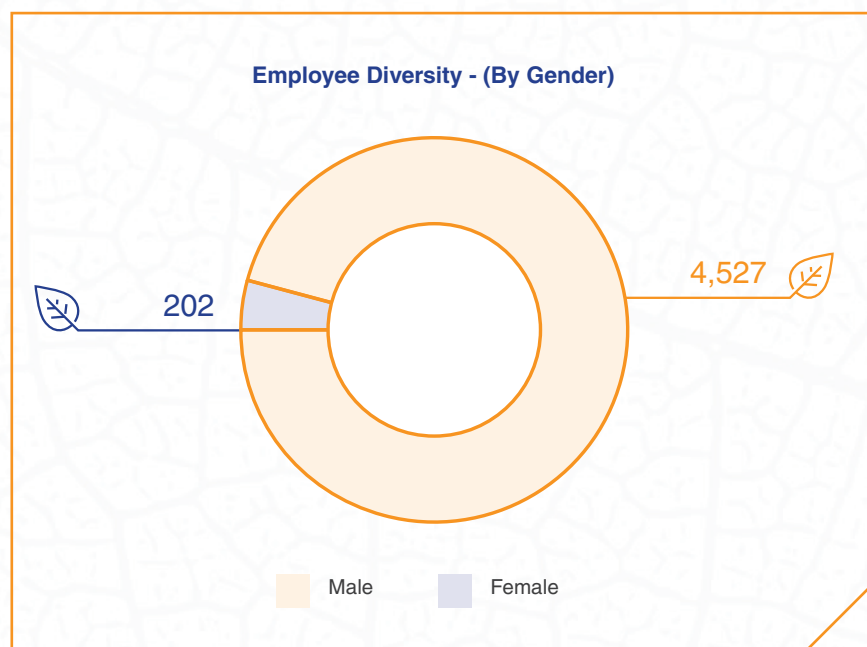
Diversity, Equity & Inclusion

In its commitment to promote a sustainable organisational culture, KFL prioritises diversity, equity, and inclusion as significant drivers. By promoting a rich blend of perspectives and ensuring fair opportunities for all, KFL cultivates an inclusive environment where every individual feels valued and welcomed. Some of KFL's initiatives in the realm of diversity, equity and inclusion are listed below:

- Actively tapping into local talent for every branch, ensuring hiring decisions are unbiased based on gender, age, caste, religion, region, or nationality
- Increasing female representation within the organisation and providing a flexible work environment to support the female workforce
- Maintaining a broad mix of employees from diverse backgrounds and experiences, reflecting KFL's commitment to being an equal opportunity employer
- Ensuring diversity in age groups within the workforce, demonstrating a holistic approach to inclusion.

The Company has set a goal of achieving 10% gender diversity ratio by the year 2030 to promote diversity and create a more inclusive and equitable work environment where individuals of all genders have equal opportunities for advancement and representation. To achieve this, KFL will implement various initiatives including Women Only hiring campaign, celebrating DE&I week, mentorship and sponsorship opportunities etc.

In FY 2023-24, KFL's workforce comprised of 4,527 males (96%), 202 females (4%), and 5 specially abled employees, reflecting its commitment to gender diversity and inclusion. The workforce also encompasses a dynamic mix of age groups, with representation across various categories. KFL's pilot programme "EmpowerHer 2024" campaign is dedicated to women hiring, encouraging employees to refer talented women for suitable positions, thereby promoting diversity and inclusivity across the organisation. Additionally, the Board of Directors demonstrates a commitment to diversity with two women directors, highlighting KFL's dedication to inclusive leadership. KFL ensures that 100% of senior management positions at significant operational locations are filled by local community members, further enhancing its commitment to diversity and inclusion.

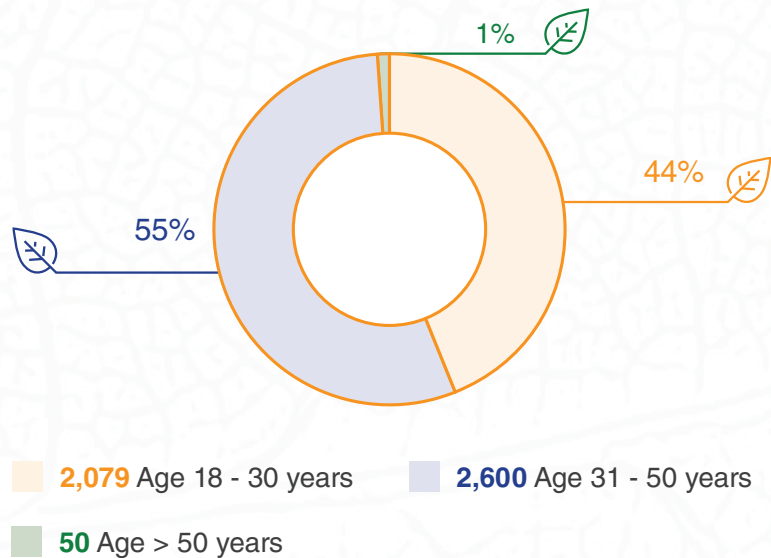


Employee Diversity (FY 2023-24)	
Total Employees	4,729
Female	202
Male	4,527
Specially abled (Males)	5

Age & Gender diversity data (FY 2023-24)

Age >50		Age 31-50		Age 18-30	
Male	Female	Male	Female	Male	Female
48	2	2,528	72	1,951	128

Employee Diversity (By Age)



Employee Diversity at Management Level

	Age >50		Age 31-50		Age 18-30	
	Male	Female	Male	Female	Male	Female
Senior Management (General Manager & Above)	12	0	35	1	0	1
Middle Management (Senior Manager to Deputy General Manager)	Age >50		Age 31-50		Age 18-30	
	Male	Female	Male	Female	Male	Female
	11	0	275	6	8	1
Junior Management (Associate Manager, Deputy Manager & Manager)	Age >50		Age 31-50		Age 18-30	
	Male	Female	Male	Female	Male	Female
	15	0	1,169	28	426	24
Staff (All Executives, Assistants & Trainees)	Age >50		Age 31-50		Age 18-30	
	Male	Female	Male	Female	Male	Female
	10	2	1,049	37	1,517	102

Employee Diversity – Region-Wise

State-wise employee count	Age >50		Age 31-50		Age 18-30	
	Male	Female	Male	Female	Male	Female
Rajasthan	21	2	933	31	877	79
Maharashtra	12	0	530	24	248	11
Gujarat	5	0	317	5	280	11
Delhi	2	0	74	2	54	1
Chandigarh	0	0	12	1	14	0
Madhya Pradesh	4	0	359	6	249	12
Punjab	1	0	74	0	64	4
Himachal Pradesh	0	0	2	0	4	0
Haryana	0	0	170	0	119	9
Uttar Pradesh	3	0	57	3	42	1

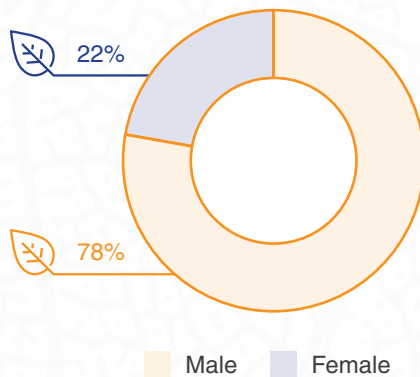
Board Diversity

Presently, the Board demonstrates a harmonious blend, consisting of 33% executive directors, 34% independent directors, and 33% non-executive directors (non-independent), with 22% representing female members and 78% male members.

Board Diversity (By Gender) – 2023-24					
Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
Board of Directors	9	7	78%	2	22%
Key Management Personnel	6	6	100%	0	0%



Board Diversity (By Gender)



Diversity of Board of Directors by age group

Board Diversity	Age >50		Age 31-50	
	Male	Female	Male	Female
	3	2	4	0

Holistic Inclusion and Diversity

KFL's core principles are firmly ingrained in its values, demonstrating the Company's unwavering commitment to employees, customers, and stakeholders. This robust organisational ethos not only draws top talent but also enhances employee retention, resulting in increased satisfaction and reduced turnover. KFL takes pride in the consistent growth of its workforce, as detailed below.

New employee hires (By Gender, Age)

New employee hires (By Gender)					
Sr. No.	Gender	FY 2022-23		FY 2023-24	
		Number	Rate	Number	Rate
1	Male	2,949	73.85%	3,171	67.05%
2	Female	107	2.67%	121	2.55%

New employee hires (By Age)					
Sr. No.	Age category	FY 2022-23		FY 2023-24	
		Rate	Number	Rate	Number
1	<30	1,609	40.29%	1,956	41.36%
2	30-50	1,444	36.16%	1,331	28.14%
3	>50	3	0.07%	5	0.1%

Prohibition of Discrimination at Workplace

Discrimination in the workplace can hinder a company's progress and undermine its ethical foundations. Addressing and eliminating any forms of discrimination is crucial for fostering a respectful, inclusive, and productive work environment. As of FY 2023-24, three (3) cases of incidents on discrimination were reported, all of which were satisfactorily resolved.

Health & Safety

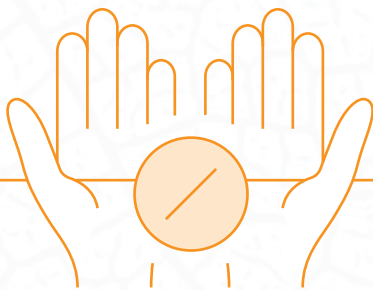
Ensuring the health and safety of its workforce is a top priority at KFL, reflecting the organisation's commitment to fostering a productive and supportive work environment. Through comprehensive training programmes and proactive measures, KFL strives to mitigate risks and promote employee well-being.

KFL has established a Health & Safety Policy that outlines the Company's commitment to maintaining a safe and healthy work environment. It also identifies and assesses various

environmental and safety risks within the workplace through E & S Risk checklist. KFL has developed an on-site emergency preparedness procedure and protocols to be followed in the event of an emergency such as a workplace accident or natural disaster. A Standard Operating Procedure (SOP) on Accident/Incident Handling is in place to provide detailed instructions for responding to accidents or incidents in the workplace. Furthermore, company has a Health & Safety Risk assessment procedure to systematically identify,

evaluate and prioritise potential risks related to health, safety, workplace, and operations and implement appropriate control measures.

This financial year (2023-24), total 4,363 (92.2%) employees received training on health and safety measures which includes safety training for work-related risks, fire safety, emergency evacuation drills and basic first aid.



Key initiatives taken by KFL are covered below:

Workplace Safety Training and Compliance



- An Environmental & Social (E&S) risk checklist is utilised to ensure compliance with health and safety regulations across the organisation
- KFL conducts fire safety and evacuation preparedness training to ensure all employees know how to act in case of an emergency
- Specialised external trainers are brought in to provide comprehensive training and mock drills on fire safety
- Trainings on first aid are disseminated through training videos and infographics
- Phase-wise internal assessments are carried out to evaluate the safety of electrical systems, fire prevention measures, structural integrity, and workplace hygiene



December 2023 12:58 pm

Road Safety and Vehicle Operation Programmes



- Awareness sessions on safe driving are conducted in collaboration with 'Steelbird' and an NGO to promote road safety among employees. As part of the safety initiative, custom Steelbird helmets are distributed, with a goal of handing out 2,500 helmets in the first phase
- KFL has committed to a two-year road safety programme to increase awareness and improve safe driving practices across its PAN-India locations



Employee Health Initiatives during National Safety Week



- During National Safety Week (March 4 to March 10), KFL revisits key initiatives designed to enhance employee well-being, which includes various health check-up camps and informational sessions
- New joiners receive comprehensive orientation on topics such as road safety, blood donation, fire safety training, and stress management
- Routine mailers are distributed to all employees to maintain awareness about various health and wellness programmes



Occupational Health Monitoring and Management



- Health packages and eyewear at subsidised rates were made available to employees.
- An extensive health check-up programme was launched by KFL benefiting 2,500 individuals
- Free general health check-up camps in collaboration with leading healthcare companies provided health services to over 200 employees emphasising the importance of employee health and promoting healthy vision
- Feedback from employees is regularly solicited to ensure continuous improvement in workplace health and safety conditions



Respiratory Health and Anti-Smoking Campaigns



- A renowned pulmonologist led an awareness session titled “Healthy Lungs, Healthy Life,” which was attended by a significant number of employees and community members. The session highlighted the adverse effects of tobacco and smoking, aiming to raise awareness about respiratory diseases and promote respiratory health
- Initiatives were undertaken to encourage employees to lead a smoke-free lifestyle and 620 employees have pledged to quit smoking to date
- A YouTube link to the awareness programme was shared that offered easy access to the resources and information shared in the session



Community Health and Social Responsibility



A Blood Donors Hub has been established to cater to urgent blood requirements for the employees and community. The “Blood Donors Hub” initiative facilitates a network of willing blood donors both within and outside the organisation. Employees contribute by sharing their blood group and relevant details through a Google Form, demonstrating their commitment to assisting those in need. Regional HR then provides contact details of willing

donors based on blood group and location, ensuring swift assistance when required. Additionally, blood donation camps are organised within office premises, and employees are encouraged to donate blood at nearby blood banks or hospitals. Additionally, to encourage Eye donation, Eye Bank Society of Rajasthan conducted awareness sessions on eye donation. Following these sessions, volunteers pledged to donate their eyes and spreading awareness on eye donation.



As a part of ESG strategy, KFL is committed to implementing a procedure for reporting and examining incidents, which will document various incident aspects such as type, investigation specifics, identification of the underlying

causes, and corrective as well as preventive measures for applicable situations. Moreover, KFL will persist with their campaign to enhance road safety and promote defensive driving among their field personnel. Additionally,

KFL plans to introduce a reward system to acknowledge employees and field employees who demonstrate safe conduct, abide by safety regulations, and maintain a record of zero incidents.

Safety-related incidents

As of FY 2023-24, total 13 number of injuries were recorded for employees at KFL and there has been one fatality reported during this financial year. In the same year, 16% offices were assessed by KFL on working conditions and health & safety practices and other human rights related aspects.

Fatalities as a result of work-related injury

Sr. No.	Description	FY 2022-23	FY 2023-24
		No.	No.
For all employees	The number and rate of fatalities as a result of work-related injury	0	1
	The number and rate of high-consequence work-related injuries (excluding fatalities)	0	0
	The number and rate of recordable work-related injuries	13	13
	Lost Time Injury Frequency Rate (LTIFR)	1.54	1.40

Employee Wellness



Promoting employee wellness is vital for fostering a healthy and thriving organisational culture. It encompasses not only physical health but also emotional, mental, and occupational well-being, which collectively contribute to a positive work environment and increased productivity.



Key initiatives provided by KFL to its employees in the realm of employee wellness are as following:

Physical Fitness:

KFL employees were encouraged to engage in physical fitness activities like running, trekking, brisk walking, and outdoor sports post-Diwali festivities, and share inspirational stories through social media posts to raise awareness among others.



Stress Management:

Sessions on stress management and work-life balance were organised by external trainers for employees.

POSH Awareness:

KFL employees underwent POSH (Prevention of Sexual Harassment) training with a certified trainer. The session equipped employees with essential knowledge and guidelines on identifying, preventing, and addressing any form of harassment in the workplace, including types of acts or behaviour considered as sexual harassment, internal complaint procedures, actions against proven or false allegations, and maintaining confidentiality. Post training, a quiz was organised and e-certificates were distributed to qualifying employees, and special gifts were given to top performers.

Menstrual Hygiene:

Free sanitary product facilities were introduced for female employees across PAN India branches. Female volunteers managed the availability and refill of products based on branch requests.

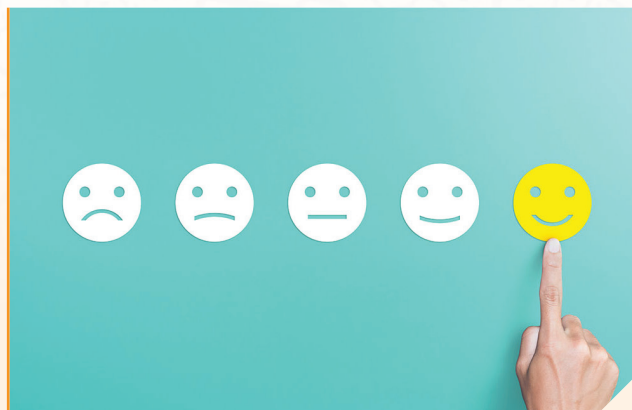
KFL is committed to sustaining its wellness programmes and enhancing employee wellbeing by appointing a dedicated wellness ambassador to foster participation and engagement of the employees. Furthermore, the Company has expanded its medical assistance programme to include the dependents of employees to ensure access to quality health care and promote a sense of security.



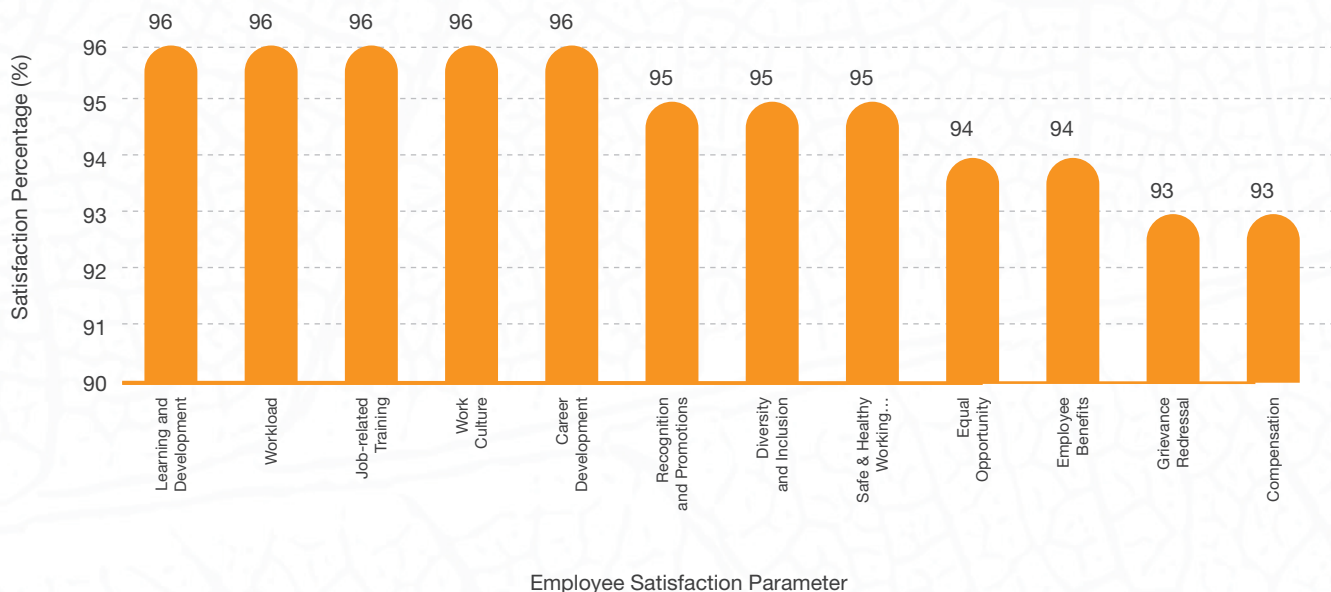
Employee Satisfaction Survey:



In the reporting period, an the Employee Satisfaction Survey was conducted via the KFin app, both in English and Hindi. This survey was conducted across 12 different aspects, namely, Learning & Development, Workload, Job-Related Training, Work Culture, Career Development, Recognition & Promotions, Diversity & Inclusion, Safe & Healthy Working Environment, Equal Opportunity, Employee Benefits, Grievance Redressal and Compensation. A total of 4,331 responses were received. Satisfaction percentages were notably high across various aspects, with an overall positive response from the majority of employees.

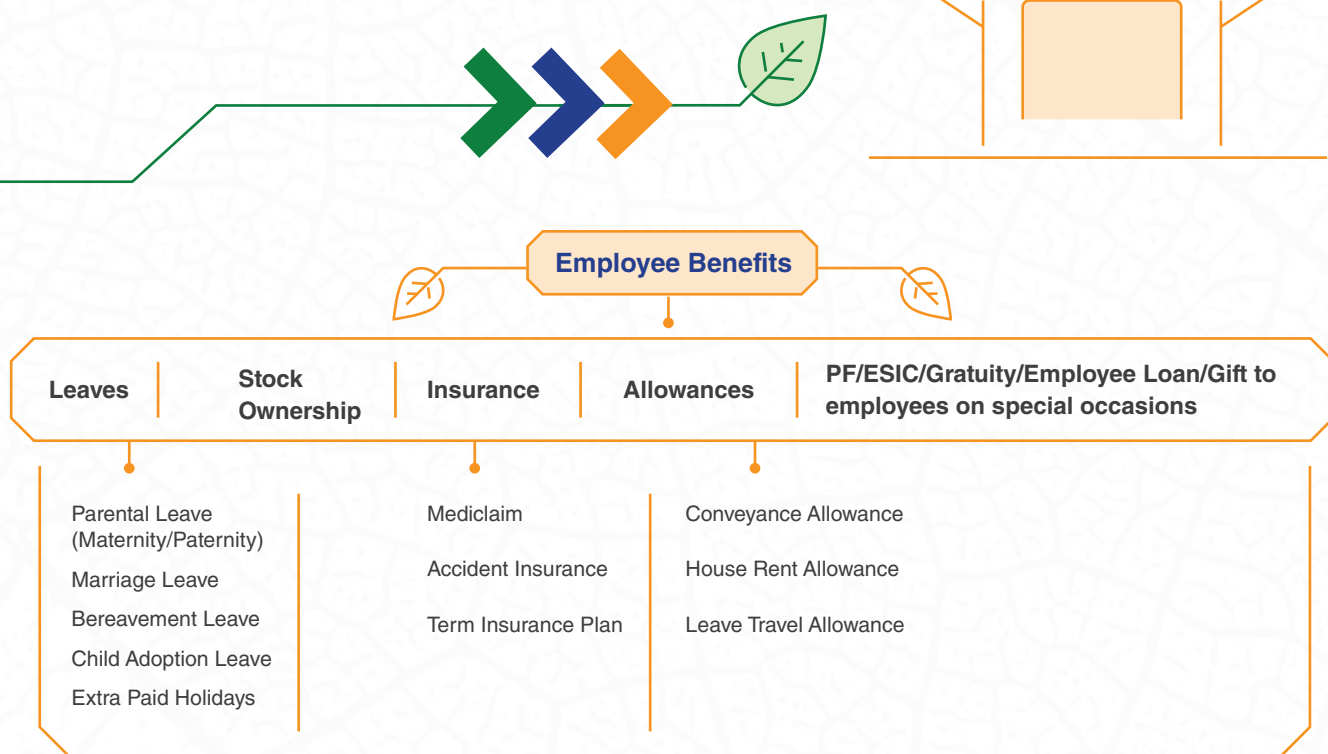


Employee Satisfaction Survey



Employee Benefits

In addition to the abovementioned employee wellness initiatives, KFL has also been offering an extensive array of benefits tailored to their needs for several years, as illustrated in the infographic below.



KFL has taken several measures to provide medical coverage for its employees to provide safety against the medical and healthcare emergencies, which includes Group Medclaim Policy for employees and their families and Group Personal Accident Cover.

In cases of accidental death, it offers a comprehensive accidental insurance policy that provides the family with a compensation amount equivalent to 72 times the gross salary of the employee.

Benefits*	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	100%	NA	Y	100%	NA	Y

* Above benefits provided to all applicable KFL employees

Leave Benefits

The Company offers 26 weeks of maternity leave, 5 days of paternity leave, and 12 weeks of adoption leave. Additionally, to facilitate the transition back to work after parental leave, flexible working hours are provided. Flexible working is also provided in circumstances of any disaster, parenting, unsafe weather conditions, medical reasons, and any other reason that is mutually agreed upon by the respective line managers and the HR department.

Leaves and return to work rate

Parameters	FY 2022-23			FY 2023-24		
	Male	Female	Total	Male	Female	Total
Total Number of people who took parental leave in FY	7	3	10	14	6	20
Total number of people returned after parental leave in FY	7	3	10	14	4	18
Return to work rate	100%	100%	100%	100%	66.66%	90%
Retention rate	100%	100%	100%	100%	100%	100%

Employee Engagement

Employee engagement activities play a crucial role in fostering a vibrant workplace culture and enhancing organisational performance. These initiatives at KFL are carefully designed to boost employee morale and strengthen team cohesion. Some of the employee engagement initiatives at KFL include:

Sports Event

The annual “Kogta Box Cricket League” tournament, held at Pune and Ahmedabad locations, brought together 280 employees, fostering team spirit among them.



Potluck Week:

To promote unity and camaraderie among its employees, the Company organised a Potluck Week, where staff members came together to share homemade dishes, facilitating cross-team interactions and celebrate cultural diversity. Such events offer employees an opportunity to create a vibrant and harmonious work environment.

Taste of India

South Indian Idli sambhar
Delhi ki chaat & pakode
Rajasthani dal baati churma, lehsun chatni
Mirchi Tapore
Hyderabadi biryani
Punjabi chole
Gujrati/jammu kadhi chawal
Bengali sweets
Rajasthani kheer malpua
Afghani Soya Chaap



Workplace buddies:

To foster a culture of appreciation, KFL provided an avenue for employees to express gratitude to their workplace buddies, recognising them not just as colleagues but also as friends, thereby cultivating an environment of upliftment, support, and shared success.

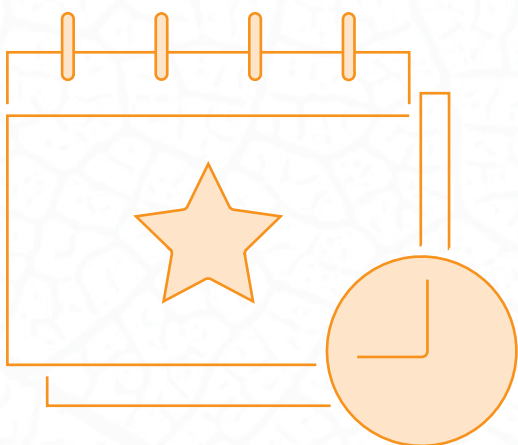


Family Day:

KFL organised a heartwarming Family Day to foster a close-knit work community and promote work-life balance. The event allowed employees to welcome their families to the workspace, providing them with insights into their roles and creating lasting memories together.

**Online Quiz:**

Events such as online quizzes (Hindi Diwas) were conducted to identify famous Hindi idioms, with winners receiving recognition on KFL's social media platforms.



Employee Recognition & Rewards



KFL ensures regular evaluation of employee performance through performance assessments and career development reviews. In addition to performance evaluations, the Company implements monthly recognition programmes for high-performing individuals, with department names circulated to all employees. Through incentives, recognition programmes, and monthly acknowledgements, KFL motivates its employees and expresses appreciation for their contributions. Furthermore, employees reaching significant tenure milestones at KFL are also acknowledged for their dedication and commitment. In FY 2023-24, a total of 476 male employees and 27 female employees were recognised for their outstanding contributions to KFL. Additionally, 2,124 male and 46 female employees were acknowledged by KFL's monthly recognition programme for going above and beyond their monthly targets.



Performance and career development review during the reporting period

Category	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Male	4,527	432	10%	3,816	456	12%
Female	202	30	15%	177	31	18%
Total	4,729	462	10%	3,993	487	12%

Talent Management

Talent management is a strategic organisational imperative that encompasses crucial facets including learning and development, aimed at attracting, nurturing, and retaining exceptional talent, thereby fostering a high-performance workplace and enhancing the organisation's competitive advantage.

Learning and Development

KFL prioritises employee growth and development through robust Learning and Development (L&D) programmes, aimed at enhancing knowledge, skills, and capabilities. The Company's strategic approach to L&D not only

improves employee performance but also boosts productivity, aligning with our business objectives. Key L&D initiatives at KFL include:

- Encouraging rapid advancement into managerial positions to facilitate professional growth

- Creating pathways for high-performing employees with leadership potential
- Building a pool of future-ready leaders to minimise training time for new hires



In FY 2024, KFL conducted 19,752 hours of induction training for employees and 32,040 hours of refresher training, with an average of 7 hours of training per employee. KFL has established a goal of achieving 3 mandays of training per year per employee for the year 2030.

On the forefront of conducting awareness for KFL's Leadership Team, the entire team underwent comprehensive ESG awareness training. The training

sessions delved into crucial topics such as Climate Change Risks and the BRSR (Business Responsibility and Sustainability Reporting) framework, aiming to enhance their understanding of sustainability issues and their implications for the organisation's operations and strategies.

As a part of ESG strategy, KFL will look forward to creating an online training platform for the employees

where trainings will be assigned to the individuals according to job roles and performance will be tracked through the same. The Company will also identify workforce skill gaps and work towards providing skill development trainings such as digitisation, personality development etc.

Training details by type of training & gender

Training	Unit	FY 2022-23	FY 2023-24
Induction training	Hours	9,096	19,752
Refreshers training	Hours	5,739	32,040

Training	Unit	FY 2022-23	FY 2023-24
Male	No.	2,925	7,134
Female	No.	107	163

No. of employees who underwent skill upgradation

S. No.	Course type	Participants	Participants
		FY 2022-23	FY 2023-24
1	Internal Courses for Skill Upgradation	1,364	4,668
2	External Courses for Skill Upgradation	Nil	Nil

Topics covered under various awareness programmes & training

Code of Conduct, Fair Practice Code, POSH at workplace, Whistleblower Policy, Grievance Redressal Mechanism, Know Your Customer (KYC) norms, outsourcing of financial activities, Compliances to be maintained at all branches, Charge creation of assets, Release of property documents of customers, ESG Awareness, No Discrimination, Fire Safety Training, Cyber Safety & Scam Awareness, First-aid training, Mental Health Awareness, Road Safety Training, Awareness on Pulmonary Health



Career Progression

KFL empowers its employees by prioritising LinkedIn activation and engagement, aiming to enhance their professional visibility and opportunities. Through educational initiatives, the Company guides its team members to optimise their profiles, enabling them to showcase their skills, achievements, and career aspirations to a global professional audience. This proactive approach ensures that company's workforce remains informed, connected, and engaged in the evolving professional landscape.

KFL is actively promoting its talent pool career progression programme to nurture talent, foster career growth and maximise the potential of its workforce. Same shall be expanded to include other departments to strengthen the

Company's talent pipeline and retention efforts.

Employee Retention Programmes

To establish an environment that engages and rewards employees, and promotes talent retention, KFL has proactively initiated two significant programmes:

- "Re-energise Programme": A specialised training initiative targeting employees with lower performance, aimed at stimulating productivity, enthusiasm, and recognising emerging performers to revitalise their commitment to the Company.
- "Revive – Second Innings": Tailored support and guidance program for underperforming employees,

offering especially designed motivational sessions to improve their performance and transition them from underachievers to valuable contributors within the organisation.

KFL will implement a job rotation policy for key roles and provide internal job opportunities to retain the talent and support in employee's growth and development.



Employee turnover (By age and gender)

Employee turnover (By Age)					
Sr. No.	Age category	FY 2022-23		FY 2023-24	
		Number	Rate	Number	Rate
1	<30	1,051	26.32%	1,329	28.10%
2	30-50	1,191	29.82%	1,223	25.86%
3	>50	6	0.15%	3	0.06%

Employee turnover (Permanent Employees) (By Gender)					
Sr. No.	Gender	FY 2022-23		FY 2023-24	
		Number	Rate	Number	Rate
1	Male	2,187	54.77%	2,459	51.99%
2	Female	61	1.52%	96	2.03%
	Total	2,248	56.29%	2,555	54.02%

Corporate Social Responsibility (CSR)

KFL's CSR philosophy aims to empower communities by making meaningful contributions that address their social, economic, and financial challenges. The Company focusses on supporting the fundamental needs of communities, striving to create a lasting impact for the beneficiaries.

KFL established Kogta Foundation in 2020 that functions as a dedicated trust managed by the Company to oversee CSR expenditure. It actively engages with key stakeholders to comprehensively understand prevailing social needs and collaboratively designs sustainable initiatives geared towards fostering the long-term well-being of society. Through close consultation and strategic planning, the foundation aims to address critical societal

challenges and make a meaningful impact on communities. To pursue its CSR objectives, KFL conducts need-based assessment surveys to identify community requirements and implement tailored programmes accordingly.

No operations with significant actual or potential negative impacts on local communities were ever reported.

Highlights

Key CSR performance highlights by Kogta Financial (India) Limited are as follows:

CSR expenditure of
₹16.4 Mn in FY 2023-24



~3,000 Trees planted
through various employee
volunteering and CSR
initiatives



Launched a year-round programme
"Impactful25" of 25 impactful
initiatives within employee
volunteering programme



CSR Governance

In compliance of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has duly constituted a Corporate Social Responsibility (CSR) Committee which defines the scope of the CSR Projects for the Company and its implementation as per Board-approved CSR policy.

The Board have constituted a CSR Committee in accordance with the requirements of Section 135(1) of the Act. The composition of the CSR Committee as on March 31, 2024, was as under:

S.No.	Name of Director	Designation/Nature of Directorship
1	Mr. P R Kalyanaraman	Chairman
2	Mr. Varun Kogta	Member
3	Mr. Radha Krishan Kogta	Member

CSR Details FY 2023-24	
Total amount spent (in ₹ Lakhs)	164
Total profit spent (in %)	2%
Turnover (in ₹ Lakhs)	76,994.03
Net worth (in ₹ Lakhs)	1,28,033.26

Theme 1: Health and wellbeing



Yoga and Meditation Programme

- A 10-day “Yoga & Meditation” program (both virtual and in-person) for Pan-India employees was organised in collaboration with certified yoga teacher and Member of Indian Yoga Association
- A special Yoga session was conducted in Jaipur on World Yoga Day, inviting employees, customers, and the local community
- Around 521 employee volunteers contributed approximately 1,875 hours to the activity, benefiting around 700 individuals from the local community. 683 volunteers belonged to the local community who contributed 685 hours to the activity as well
- Formal and informal communication platforms were utilised to keep stakeholders informed and invite them to participate as yoga practitioners



Drinking water facility

- To ensure safe and clean drinking water (Pyau), water huts were built and maintained by Kogta Foundation



Awareness Camps

- Kogta Foundation organised eye surgery camps with the primary goal of raising awareness among the public. These camps aimed to address the backlog of avoidable blindness by providing necessary treatment. Services offered included screening for refractive errors, provision of eyeglasses, medication for allergies and other eye conditions, and identification of cataracts and other surgical needs



Theme 2: Environment



Tree plantation

- KFL collaborated with NGOs, including NGO Pure India Trust in Jaipur (Rajasthan) and EFI NGO, Indore & Ayodhya Shriram Welfare Society for Indore (Madhya Pradesh). Drives spanned across Rajasthan, Delhi, Gujarat, Madhya Pradesh, Punjab, Haryana, and Maharashtra. Employees, customers, and local communities were engaged to advocate for nature. KFL volunteers planted around 600 trees, demonstrating remarkable teamwork in environmental preservation
- Additionally, 2,383 trees were planted as a part of CSR initiative, with an expenditure of ₹ 18 lakhs. Tree guards were installed around the newly planted saplings for the first few years after planting to ensure adequate survival of the trees



Cleanliness Drive

- On the occasion of World Environment Day 2023, Kogta Foundation launched a week-long (June 4 to June 10) cleanliness campaign named "Care, Connect, Clean, Feed & Nurture" in Jaipur, Rajasthan
- Employees participated by cleaning waste and plastic pollution from Biological Parks, Wildlife Sanctuaries, and surrounding areas, as well as feeding animals and planting tree saplings
- The campaign garnered extensive media coverage, raising awareness among a wider audience
- A collaboration with a specialised NGO in Jaipur facilitated a cleanliness campaign at Nahargarh Biological Park & Wildlife Sanctuary
- Employee volunteers from Delhi office also conducted a similar drive at a community park in New Delhi
- Similar initiatives took place in Indore, Chandigarh, Bikaner, Karnal, and Navi Mumbai
- Continuous communication through various channels kept employees, customers, local community, and other stakeholders informed and engaged in advocating for nature. A total of 150 volunteers from 7 Indian states volunteered for approximately 225 hours



Environmental Carbon Footprint:



KFL employees participated in a week-long initiative aimed at reducing their commute's carbon footprint by utilising public transport, vehicle pooling, walking, or biking to work. They had the flexibility to participate for the entire week or specific days, while also sharing details about their commute. 120 employees volunteered approximately 550 hours for this initiative.



Theme 3: Education



Financial Aid to School Infrastructure

- Kogta Foundation extended financial aid towards infrastructural development of government schools in Khora Bisal, Jalsu, Banipark, Jaipur
- Through partnership with Shaping Future, KFL is extending support to aspiring scholars, ensuring they receive the necessary education to pursue their dreams. Employees are encouraged to share details of students seeking financial assistance for their studies in fields such as engineering, medicine, CA/CS, etc.



Training and Awareness

- Kogta Foundation, via "Raah Educators Private Limited" (Funovate) in Jaipur, empowers parents and teenagers through education initiatives
- "Breaking the Wall of Silence" programme aiding parents in discussing puberty and responsible behaviour with children aged 4-21
- Positive puberty workshops offer pre-teens and teens a safe space to learn about their bodies, emotions, relationships, and consent
- KFL collaborated with 'Cinema on Wheels – Pahiyon pe Pathshala,' a movable multiplex cinema, to educate rural communities on important life skills. This solar-powered vehicle, showcasing ultra-modern technology, delivers knowledge on various topics to government school children. With topics ranging from renewable energy to cyber security, this initiative aims to inspire, educate, and empower communities through entertainment. Approximately 2,000 students were reached in January 2024, making each show a step towards building a brighter future



Theme 4: Animal Welfare



Contribution to Animal Shelter

- Employee volunteering towards looking after stray animals. Employees can opt to adopt, feed, or rescue a stray animal or can also reach out to animal rescue organisations or authorities for assistance. KFL is dedicated to making a positive impact on communities, exemplified by its proposed initiatives related to road safety programme for drivers, financial literacy programmes for customers and communities, community offset projects such as mini forest creation, rainwater harvesting etc. The Company is committed to conducting impact assessment for key CSR projects to evaluate their effectiveness and understand the outcomes. Through its proactive initiatives and collaborative approach, the Company strives to create positive social and environment outcomes



Employee Volunteering



KFL has launched a year-round program “Impactful25” of 25 impactful initiatives within its employee volunteering programme, designed to uphold its commitment to Environmental, Social, and Governance (ESG) priorities. The programme includes initiatives based on ESG aspects such as World Environment Day Week, where KFL encourages sustainable practices; Yoga Week, aimed at enhancing employee wellness; a communal Potluck Lunch that celebrates diversity; a Family Day to honour the support of loved ones; a Blood Donation Drive for community health betterment and many more. Detailed descriptions of these initiatives can be found in the relevant sections of this Sustainability Report.

Employee volunteering is vital as it not only strengthens community bonds but also reflects a company’s commitment to social responsibility. At KFL, employees actively engage in various initiatives, demonstrating their dedication to making a positive impact on society. These initiatives include:

Supporting local artisans:



KFL supported local artisans by hosting talented women artisans at the Head Office, offering unique handmade products for purchase. Additionally, KFL employees volunteered to prioritise purchases from local vendors for their daily needs, further contributing to the support of local businesses.



Support to care homes: _____



Employees volunteered to spread joy and make meaningful connections with individuals in need. They visited care homes, such as orphanages, old age homes, and hospitals, to spend quality time engaging with residents or patients, playing games, and providing compassionate support. Through this initiative, employees aimed to bring smiles and create lasting memories, capturing heartwarming moments to share their experiences with others.



Customer Centricity

At KFL, customers are recognised as pivotal stakeholders in their business strategy. The Company's success is closely tied to its capacity to understand and fulfil customer needs. Thus, KFL places significant importance on customer centricity, considering it a fundamental value driving all aspects of its operations. Through ongoing efforts, KFL integrates customer centricity into its business model, catering to client needs and preferences with tailored products and services

Customer Relationship Management

- Customer Relationship Management (CRM) is crucial for businesses as it helps in building strong and lasting relationships with customers, enhancing customer satisfaction, and driving business growth. At KFL, CRM is prioritised to ensure superior client service and personalised experiences

Key initiatives taken up by KFL in the domain of CRM are as follows:

A dedicated team actively monitors customer feedback and handles complaints promptly to mitigate issues and bolster customer satisfaction.



Investment in comprehensive training programmes equips employees with essential skills and knowledge to deliver exceptional service, covering areas such as communication, problem-solving, and customer service.



Round-the-clock customer service team is available to assist customers with enquiries, providing professional and friendly service.



Outreach through vernacular language infographics to promote financial literacy and empower customers to make informed decisions.



Service offerings to meet evolving customer needs, including extending support in vehicle and MSME lending.



KFL employees have the privilege to express gratitude to valued customers, internal and external, for their invaluable role in the Company's journey.



In future, KFL aims to further enhance its CRM efforts by leveraging technology to streamline processes, implementing data-driven insights to personalise customer interactions, and continuously refining its service offerings to meet evolving customer needs and expectations. The Company aims to reach 60% of current customers

to gather feedback, gauge satisfaction and meet additional financial service needs.

KFL will also explore the opportunity to launch new services (video KYC, virtual relationship manager) to promote hassle-free financing experience and development of application for

customers to seamlessly reach out for any concerns or requirements.

In FY 2024, a total of 128 customer complaints were received, all of which were resolved, including the 3 pending/open complaints from the previous fiscal year, 2023.

Consumer Financial Protection

KFL's commitment to responsible lending practices is multifaceted and involves adherence to various regulatory guidelines as well as internal initiatives designed to safeguard consumer interests. It adheres to the Fair Practices Code (FPC) provided by the Reserve Bank of India (RBI) to promote good practices by setting minimum standards in dealing with customers while doing lending business. The details of the Fair Practice Code are available on the website of the Company at www.kogta.in/investor/policy/.

The comprehensive Know Your Customer (KYC) Guidelines and Anti Money Laundering Standards, issued

by the RBI, are followed to ensure that the Company is not inadvertently facilitating criminal activities.

KFL is planning to introduce fraud detection tools and customer data encryption services that indicates a proactive approach to cybersecurity and data protection. These tools will help in analysing patterns and flagging transactions that deviate from the norm, which could indicate potential fraud. The data encryption services will ensure that customer data remains secure and inaccessible to unauthorised parties. Implementing systems for real-time monitoring of suspicious activities will provide immediate alerts to potential security threats such as

access breaches or signs of trafficking, ensuring swift action can be taken to mitigate these risks.

In addition, KFL will initiate educating customers on the safe use of digital platforms for loan-related services which is a vital step towards preventing fraud. Overall, these initiatives depict a strong commitment to maintaining high standards of integrity and security in lending operations, inviting greater confidence from consumers and regulators alike.



Futureproofing



In the quest to futureproof its operations, Kogta Financial (India) Limited (KFL) has strategically devised plans and initiatives across key domains. This proactive stance encompasses robust measures in risk management, ensuring resilience against unforeseen challenges. Furthermore, KFL prioritises data privacy and cybersecurity, deploying advanced technologies and protocols to safeguard sensitive information. Additionally, the Company is dedicated to embracing digital transformation, leveraging innovative tools and strategies to navigate the evolving digital landscape adeptly.

Risk Management

Risk management is of paramount importance for KFL, as it ensures the organisation's stability and sustainability in the face of uncertainties. At KFL, risk management is deeply ingrained in its business strategy, with a strong focus on fostering a culture of risk awareness and mitigation throughout the Company.

KFL's key approaches in the domain of risk management are as follows:

- The Board of Directors plays a pivotal role in setting the tone for risk management, establishing oversight duties aligned with the Risk Management Framework
- KFL's risk management framework aims to consistently assess and control risks, facilitating sustainable business development and value creation for shareholders
- The Risk Management Committee conducts regular reviews of the risk management policy, addressing critical risks such as credit, liquidity, concentration, capital, funding, interest rate, and portfolio risk

- To bolster its risk management efforts, KFL has implemented a Directors and Officers (D&O) insurance policy, mitigating potential legal risks on directors and senior management

Looking ahead, KFL is committed to enhancing its risk management practices, adapting to evolving market dynamics and regulatory requirements to ensure continued resilience and growth

ESG Risks

KFL incorporates ESG criteria into its operations and financing decisions. This includes ESG due diligence, quantitative assessments through an ESG checklist, and high-level screenings for proposals not meeting the minimum ESG risk score. If material risks are identified, borrowers are required develop an action plan for mitigation. KFL also obtains ESG compliance declarations from borrowers and vendors.

The Company has also put in place an Environment and Social Risk Management System (ESMS) to evaluate and alleviate Environmental, Social, and Governance (ESG) risks as they pertain to its ESG policy.

This ESMS outlines the policies and procedures in place to address the ESG risks and opportunities identified in the system.

Climate-Related Risk Management and Alignment with RBI Circular

KFL acknowledges the critical importance of addressing climate change risks and is committed to integrating ESG and climate change risks into its lending and risk management strategies. In line with the recommendations of RBI circular, KFL is developing a robust ESG framework to identify and address climate-related risks and opportunities.

KFL's approach includes screening new project finance proposals with environmental and social due diligence for projects above specific thresholds and maintaining an exclusion list of industries not permitted for financing. The Company is in the process of incorporating ESG and climate risk aspects as part of the credit evaluation process.

Climate Change related Physical & Transitional risks

Physical Risks: Physical risks associated with climate change

particularly include the escalating frequency and severity of weather events. Such events could lead to collateral damage, decline in asset values and disruptions in our operations. KFL particularly acknowledge its vulnerability to such events where investments are done in areas prone to such extreme weather conditions.

Transitional Risks: The Company is equally mindful of transitional risks as economies are trending towards low-carbon and climate-resilient frameworks. Regulatory, technological, and market shifts could potentially make

certain investments in high-risk. For KFL, this implies a heightened credit risk, particularly borrowers such as SMEs owners from semi-urban and rural regions, might face challenges in fulfilling their financial obligations or being unable to repay their loans due to changes in the economy, technological shifts, or adverse business conditions.

Risk management and mitigation measures:

In the emerging stages, KFL's goal is to contribute significantly to combat climate change while shaping a

sustainable financial future. KFL also aims to strengthen its risk management framework across the organisation and include ESG risk identification and mitigation as a regular process.

The Company will initiate actions with respect to the climate disclosure framework issued by RBI. It shall strive to limit its own operational emission by adopting environmentally friendly measures such as waste reduction, recycling, and energy conservation practices.



Data Privacy & Cyber Security

Data privacy and cybersecurity are critical in today's digital landscape, especially KFL, to safeguard sensitive information from potential threats. The Company prioritises the protection of personally identifiable information (PII) of customers, employees, and shareholders, including financial data, KYC information, and contact details.

Key initiatives up taken by KFL in the domain of Data Privacy and Cyber Security are as follows:

- KFL implements robust data privacy measures to restrict access to sensitive data to authorised parties only, preventing unauthorised access and potential breaches. Zero incidents of data breaches reported in FY 2024
- A well-defined governance structure, including an Information Technology Strategy Committee and a Board-level Risk Management Committee, ensures effective information security and data protection
- Adherence to Cert-in & ReBIT advisories helps KFL mitigate global cybersecurity threats, ensuring the safety of sensitive data against cyber attacks
- The Company's cybersecurity policy encompasses regular risk assessments, strong access controls and authentication measures, and a clear incident response plan, forming the core of its cybersecurity approach
- Continuous monitoring of network traffic and events by an internal team enables prompt detection and response to potential cyber threats, complemented by proactive blocking of malicious indicators of compromise (IOCs)
- KFL has adopted a Risk Based approach and follows defence-in-depth to protect its information systems against cyber-attacks. IT risk assessment and Vulnerability Assessment & Penetration Testing is being assessed by an independent entity on an annual basis in compliance to the IS audit framework laid down by RBI
- Extensive awareness initiatives, such as email dissemination on data security best practices and cyber fraud prevention, are conducted to educate employees on the importance of safeguarding sensitive information

In the future, KFL aims to further strengthen its data privacy and cybersecurity measures by enhancing its threat intelligence capabilities, conducting regular cybersecurity training for employees, and investing in advanced security technologies to stay ahead of evolving cyber threats. The Company will align its policies and procedures with global standards such as ISO 27001: 2022 (Information Security Management System) inclusive of business contingency plan, incident response procedures and periodic testing with an aim to get certified with the global standards i.e. ISO 27001:2022



Digital Transformation

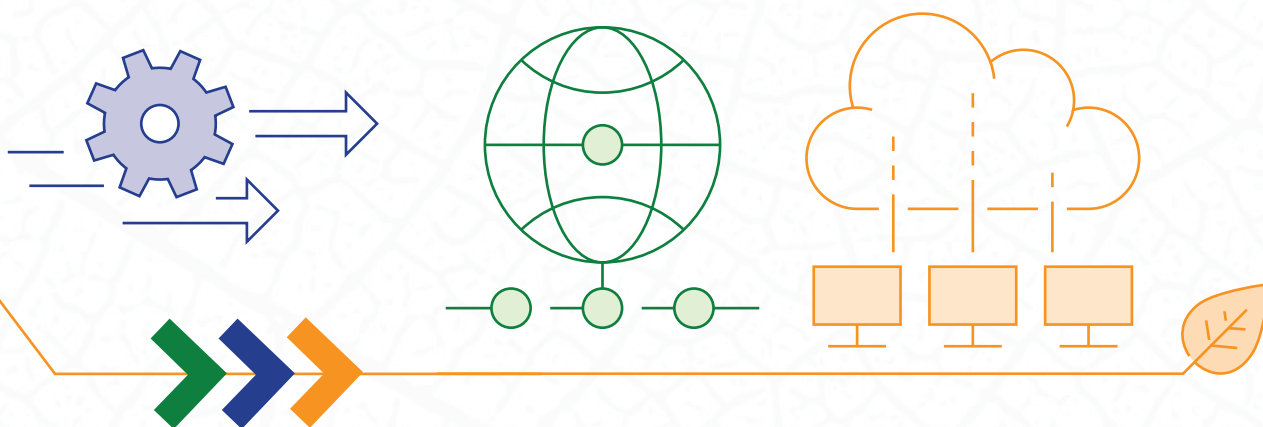
Digital transformation is imperative for businesses to stay competitive and meet evolving customer demands in today's rapidly evolving landscape. KFL recognises the significance of digitalisation and has strategically embraced digital transformation to enhance operational efficiency, improve customer experience, and drive sustainable growth.

- KFL has adopted a unique lending model powered by a digital lending system, enabling appropriate risk pricing and delivering superior turnaround time, productivity, and customer insights
- The Company has integrated sophisticated digital lending tools and technology applications, including web-based ERP (Accurate & CRM) and android mobile applications (KFIN & Motor Gaadee), to streamline various functions in the lending process, from loan origination to customer service. For instance:
 - Accurate, a comprehensive ERP solution developed in-house by KFL, facilitates loan origination, loan management (LOS), accounting, and human resources management (HRMS) through a Model-View-Controller (MVC) architecture
 - The Loan Origination System (LOS) facilitates the loan origination
- process, including KYC verification, credit bureau scoring, risk assessment, credit underwriting, document verification, and digital disbursement of loans
- The Loan Management System (LMS) manages the full lifecycle of a loan from disbursement to closure, enabling digital EMI collection, legal suites, and accounting
- The CRM component of Accurate manages customer and channel partner relationships by addressing their queries, complaints, and grievances, and facilitates lead management, sales tracking, and customer retention
- KFIN, an Android-based mobile application, expands customer reach and enables on-the-go operations for lead generation, loan origination, customer verification, EMI collection, and HR processes
- Motor Gaadee, another Android-based app, facilitates pre-owned vehicle sales by providing real-time bidding and purchase functionalities
- As part of its sustainability efforts, KFL offers customers options for digital payment to reduce paper waste, and the Company is shifting towards paperless processes in its HR department, making the employee onboarding process both paperless and seamless

In the future, KFL aims to further enhance its digital capabilities by exploring advanced technologies such as artificial intelligence (AI) and machine learning (ML) to automate processes, personalise customer interactions, and make data-driven decisions. The Company is committed to leveraging digital innovation to expand its customer base, drive operational efficiencies, and build a future-ready business that thrives in the digital age.

The Company has set a very ambitious target of digitising 90% of its business operations by the year 2030. This suggests a strategic shift towards leveraging digital technologies to streamline processes, reduce costs, and increase efficiency. Digitisation will include various aspects such as automating manual tasks, adopting cloud computing for better data management, using AI and analytics for decision-making, and implementing online channels for customer interactions.

KFL is also planning to initiate ESG data monitoring through a digital platform, as it recognises the importance of ESG factors in its operations and is committed to greater transparency and accountability in this area. This initiative could help the Company identify areas for improvement, manage risks, and demonstrate its commitment to sustainability and ethical practices to stakeholders.



APPENDICES

UN SDG Mapping



Goal 1: No Poverty

Our Activities

- In FY 2023-24, KFL has served 80,140 customers, amplifying its commitment to financial inclusion. Emphasis on vehicle and MSME lending addresses the unmet demand for credit and facilitates greater financial access for underserved communities that included people who are of low-income, self-employed and informally employed



Goal 3: Good Health & Well-being

Our Activities

- KFL utilises an Environmental & Social (E&S) risk checklist to ensure compliance with health and safety regulations across the organisation
- A 10-day "Yoga & Meditation" programme (both virtual and in-person) for Pan-India employees was organised in collaboration with certified yoga teacher
- A special Yoga session was conducted in Jaipur on World Yoga Day, inviting employees, customers, and the local community. Around 521 employee volunteers contributed approximately 1,875 hours to the activity, benefiting around 700 individuals from the local community. 683 volunteers belonged to the local community who contributed 685 hours to the activity as well
- Formal and informal communication platforms were utilised to keep stakeholders informed and invite them to participate as yoga practitioners
- Kogta Foundation organised eye surgery camps to raise awareness on medical conditions of the eyes and its treatment
- The "Blood Donors Hub" initiative facilitates a network of willing blood donors both within and outside the organisation. Employees contribute by sharing their blood group and relevant details through a Google Form, demonstrating their commitment to assisting those in need
- KFL employees visited care homes, such as orphanages, old age homes, and hospitals, to spend quality time engaging with residents or patients, playing games, and providing compassionate support

- KFL employees get access to several benefits such as insurance (Mediclaim, accident and term plan), stock ownership, different leaves (parental, marriage, bereavement, child adoption and extra paid holidays), different allowances (conveyance, house rent and leave travel), PF, ESIC, gratuity, employee loan, and gifts to employees on special occasions
- KFL organised awareness sessions in collaboration with 'Steelbird' with a goal of handing out 2,500 helmets in the 1st phase. The Company has committed a two-year road safety programme across its PAN-India locations
- KFL conducts regular training sessions in basic first aid and also implements annual preventative health check-ups and wellness programmes to support physical and mental wellbeing
- KFL ensures all employees are prepared for emergencies by conducting fire safety and evacuation training, facilitated by specialised external trainers who provide comprehensive instruction and mock drills
- Free sanitary product facilities were introduced for female employees across PAN India branches



Goal 4: Quality Education

Our Activities

- Extended financial aid towards infrastructural development of government schools in Khora Bisal, Jalsu, Banipark, Jaipur
- Awareness programmes held for parents of children aged 4-21 on puberty and responsible behaviour.
- Movable multiple cinema organised for rural communities to impart important life skills to rural communities. Outreach of 2,000 students achieved in Jan 2024
- Through partnership with Shaping Future, KFL is extending support to aspiring scholars, in which employees are encouraged to share details of students seeking financial assistance for their studies in fields such as engineering, medicine, CA/CS, etc.
- Fun and motivational learning & training sessions held for KFL employees as part of new learning and developing techniques to optimise employee performance
- In FY 2024, KFL conducted 19,752 hours of induction training for employees and 32,040 hours of refresher training, with an average of 7 hours of training per employee



Goal 5: Gender Equality

Our Activities

- KFL supports local artisans by hosting talented women artisans at the Head Office, offering unique handmade products for purchase
- KFL's pilot programme "EmpowerHer 2024" campaign is dedicated to women hiring, encouraging employees to refer talented women for suitable positions
- 3,500 KFL employees underwent POSH training with a certified trainer
- KFL demonstrates inclusivity with two women directors on the Board and 5 specially abled persons
- KFL also encourages flexible work environment to support female workforce



Goal 6: Clean Water and Sanitation

Our Activities

- Water huts built by Kogta Foundation to ensure safe and clean drinking water
- Week-long Cleanliness drive launched in Jaipur on the occasion of World Environment Day in which 150 volunteers from 7 states participated



Goal 8: Decent Work and Economic Growth

Our Activities

- KFL empowers its employees by prioritising LinkedIn activation and engagement, aiming to enhance their professional visibility and opportunities



Goal 9: Industry, Innovation and Infrastructure

Our Activities

- KFL has laid down a set of eligibility criteria to ensure that financed vehicles and MSME activities are eco-friendly



Goal 10: Reduced Inequality

Our Activities

- 100% of senior management roles in significant operations are occupied by local community representatives



Goal 12: Responsible Consumption and Production

Our Activities

- In FY 2023-24, 0.439 tonne e-waste consisting mainly of outdated IT assets, is carefully managed in line with government regulations
- To combat plastic pollution, disposable plastic water bottles are being replaced by sustainable glass bottles in KFL's meeting areas



Goal 13: Climate Action

Our Activities

- KFL's has an elaborate ESG policy that constitutes of Environment Policy, Waste Management Policy, Procurement Policy, Employee Health & Safety Policy, On-Site Emergency Policy, Code of Responsible Investing and Stakeholder Engagement Plan
- KFL employees participated in a week-long initiative aimed at reducing their commute's carbon footprint by utilising public transport, vehicle pooling, walking, or biking to work
- Annual review meetings are organised at green building certified hotels as an environmentally responsible practice
- KFL actively monitors its energy consumption, investing in energy-efficient solutions such as LED lighting
- KFL has plans to conduct comprehensive emissions tracking with plans to include the monitoring of scope 3 emissions



Goal 16: Peace, Justice and Strong Institutions

Our Activities

- 100% of the governance body members and employees undergo comprehensive anti-corruption training
- KFL has policies on anti-bribery, anti-corruption, cyber security and whistle-blower policy
- KFL believes in high standards of corporate governance and ensures transparency, accountability, and ethical business practices
- KFL is committed to upholding ethical labour standards and prohibits all forms of child labour
- KFL has Cert-in & ReBIT advisories in place to protect against cybersecurity threats



Goal 15: Life on Land

Our Activities

- KFL planted ~3,000 trees across 6 states and 2 union territories in FY 2023-24 in which 381 volunteers participated
- Tree guards were installed around newly planted saplings at Ajmer and Jaipur
- Kogta Foundation contributed food and care to goshalas/cow shelters
- KFL employees opt to adopt, feed, or rescue a stray animal or can also reach out to animal rescue organisations or authorities for assistance

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2-3	Reporting period, frequency and contact point	SR 2024 - About the Report >> Embracing Sustainability - Philosophy	5
2-4	Restatements of information	Not applicable considering maiden report	–
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2-6	Activities, value chain and other business relationships	SR 2024 - About the organisation	8
2-7	Employees	SR 2024 - Diversity, Equity and Inclusion	41
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2-9	Governance structure and composition	AR 2024 - Corporate Governance Report: Board of Directors	
2-10	Nomination and selection of the highest governance body	Please refer to https://kogta.in/admin/public/uploads/media/1693463782_Nomination%20&%20Remuneration%20Policy.pdf	–
2-11	Chair of the highest governance body	AR 2024 - Corporate Governance Report: Board of Directors	68
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2-13	Delegation of responsibility for managing impacts	SR 2024 - Roles & Responsibilities	23
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2-18	Evaluation of the performance of the highest governance body	AR 2024 – Nomination and Remuneration Policy >> Performance Evaluation	56
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2-20	Process to determine remuneration	Please refer to https://kogta.in/admin/public/uploads/media/1693463782_Nomination%20&%20Remuneration%20Policy.pdf	–
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2-27	Compliance with laws and regulations	SR 2024 - Ethics and compliance	26
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201-2	Financial implications and other risks and opportunities due to climate change	Not disclosed	–
201-3	Defined benefit plan obligations and other retirement plans	Not disclosed	–
201-4	Financial assistance received from government	SR 2024 - Highlights of Financial Performance	12
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205-2	Communication and training about anti-corruption policies and procedures	SR 2024 - Ethics & Compliance	26
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207-3	Stakeholder engagement and management of concerns related to tax		
207-4	Country-by-country reporting	Not applicable	–

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301-2	Recycled input materials used	Not applicable	–
301-3	Reclaimed products and their packaging materials	Not applicable	–
302-1	Energy consumption within the organisation	SR 2024 - Energy & Emissions >> Electricity consumption data table	31
302-2	Energy consumption outside of the organisation	Not applicable	–
302-3	Energy intensity	SR 2024 - Energy & Emissions >> Electricity consumption data table >> Energy intensity per rupee of turnover is mentioned	31
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302-5	Reductions in energy -requirements of -products and services	Not applicable	–
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303-2	Management of water discharge-related impacts	Not applicable	–
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304-2	Significant impacts of activities, products and services on biodiversity	Not applicable	–
304-3	Habitats protected or restored	Not applicable	–
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305-1	Direct (Scope 1) GHG emissions	SR 2024 - Energy & Emissions >> Quantification of GHG emissions table	32
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305-4	GHG emissions intensity	SR 2024 - Energy & Emissions>> Quantification of GHG emissions table	32
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305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable	–
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306-4	Waste diverted from disposal		33
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308-2	Negative environmental impacts in the supply chain and actions taken	SR 2024 - Responsible sourcing – A self-declaration by suppliers, attests their compliance with the Company's predetermined, transparent, and non-discriminatory ESG commitments highlighted in the https://kogta.in/admin/public/uploads/media/1684410725_ESG%20Policy.pdf	36

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403-9	Work-related injuries	SR 2024 - Health & Safety >> Safety-related incidents	48
403-10	Work-related ill health	Not applicable	–
404-1	Average hours of training per year per employee	SR 2024 - Talent management >> Learning & Development (Average of 7 hours of training per year)	54
404-2	Programmes for upgrading employee skills and transition assistance programmes	SR 2024 - Talent management >> Learning & Development	54
404-3	Percentage of employees receiving regular performance and career development reviews	SR 2024 - Employee benefits >> Employee Recognition & Rewards	54
405-1	Diversity of governance bodies and employees	SR 2024 - Diversity, Equity and inclusion	41

GRI Standard	Description	Section	Page No.
405-2	Ratio of basic salary and remuneration of women to men	SR 2024 - Human Rights >> Wages & Compensation	40
406-1	Incidents of discrimination and corrective actions taken	SR 2024 - Diversity, Equity & Inclusion >> Prohibition of Discrimination at Workplace	44
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not applicable	–
408-1	Operations and suppliers at significant risk for incidents of child labor	SR 2024 - Human Rights - 100% of investment Contracts/ Agreements have Human Rights Clause.	39
		Well defined HR policy to clearly state the conditions for prohibition of child and forced labour, equal employment and advancement opportunities etc. SR 2024 - Responsible sourcing	36
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	SR 2024 - Human Rights - 100% of investment Contracts/ Agreements have Human Rights Clause.	39
		Well defined HR policy to clearly state the conditions for prohibition of child and forced labour, equal employment and advancement opportunities etc. SR 2024 - Responsible sourcing	36
410-1	Security personnel trained in human rights policies or procedures	SR 2024 - Human Rights	39
411-1	Incidents of violations involving rights of indigenous peoples	Not applicable	–
413-1	Operations with local community engagement, impact assessments, and development programmes	SR 2024 - Corporate Social Responsibility	57
413-2	Operations with significant actual and potential negative impacts on local communities	SR 2024 - Social Impact	37
414-1	New suppliers that were screened using social criteria	Not disclosed /Processes not in place	–
414-2	Negative social impacts in the supply chain and actions taken	SR 2024 - Responsible sourcing	36
415-1	Political contributions	KFL refrains from making political contributions to any candidates or parties. This provision is covered in https://kogta.in/admin/public/uploads/media/1693465800_Anti-Bribery%20and%20Anti-Corruption%20Policy.pdf	–

GRI Standard	Description	Section	Page No.
416-1	Assessment of the health and safety impacts of product and service categories	Not applicable	–
416-2	Incidents of non-compliance concerning the health and safety -impacts of products and services	Not applicable	–
417-1	Requirements for product and service information and labelling	Not applicable	–
417-2	Incidents of non-compliance concerning product and service information and labelling	Not applicable	–
417-3	Incidents of non-compliance concerning marketing communications	No incidents of non-compliance concerning marketing communications	–
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR 2024 - Data Privacy & Cyber Security	66

Business Responsibility & Sustainability Reporting (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	U67120RJ1996PLC011406
2. Name of the Listed Entity	KOGTA FINANCIAL (INDIA) LIMITED (KFL)
3. Year of incorporation	1996
4. Registered office address	'KOGTA HOUSE' AZAD MOHALLA, NEAR RLY. STATION, BIJAINAGAR, Rajasthan, India, 305624
5. Corporate address	S-1, Gopal Bari, Near Ajmer Pulia, Opposite Metro Pillar No. 143, Jaipur, Rajasthan, India, 302001
6. E-mail	compliance@kogta.in
7. Telephone	0141-6767000
8. Website	https://kogta.in/
9. Financial year for which reporting is being done	2023-24
10. Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange
11. Paid-up Capital	₹ 85,55,12,793.04
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Vikram Goyal (ESG Compliance Officer) 0141-6767000 esg@kogta.in
13. Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14. Name of assurance provider	-
15. Type of assurance obtained	-

II. Products/services**16. Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY 2023)
1	Financial services	KFL offer loans against the commercial vehicles, Consumer Vehicles, Construction Equipment and tractors in the vehicle financing segment and Loan Against Property (LAP) and Secured Business Loans to the MSME segment.	100%

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

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Non-Banking Financial Company engaged in retail lending and allied activities	64920	100 %

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

Location	Number of plants	Number of offices	Total
National	0	216	216
International	0	0	0

19. Markets served by the entity:**a. Number of locations**

Locations	Number
National (No. of States/UTs)	8 States and 2 UTs
International (No. of Countries)	0

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

Since, the Company is a Non-Banking Financial Companies (NBFCs) engaged into retail lending activities, the concept of exports is not applicable to the operations of the Company.

c. A brief on types of customers

Kogta Financial (India) Limited operates in multi-tier cities with focus on Tier-2 and Tier-3 cities which mainly covers semi-urban and rural customer segments. Our diverse customer base include individuals and Micro, Small, and Medium Enterprises (MSMEs) from urban, semi-urban, and rural markets. The diverse borrower profile includes agriculture-based profiles, small road transporters, taxi operators, commercial vehicle owners, rural passenger vehicle profiles, first-time borrowers, small scale industry and enterprises, retail traders, and other underserved categories seeking to tap into the formal financial sector. Majority of our customers are individuals who are either low-income, self-employed, or informally employed.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and Workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	4,729	4,527	95.72	202	4.27
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	4,729	4,527	95.72	202	4.27

b. Differently abled Employees and Workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	5	5	100	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	5	5	100	0	0

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22.22%
Key Management Personnel	6	0	0%

22. Turnover rate for permanent employees and workers

	FY _2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)		
	Male	Female	Total	Male	Female	Total
Permanent Employees	51.99%	2.03%	54.02%	54.77%	1.52%	56.29%

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

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed Entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	NA	NA	NA	NA

VI. CSR Details

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

(ii) Turnover (in ₹) – ₹ 7,699,403,000

(iii) Net worth (in ₹) – ₹ 12,803,326,000

VII. Transparency and Disclosures Compliances**25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes	0	0	N/A	0	0	N/A
Communities	Yes	0	0	N/A	0	0	N/A
Shareholders	Yes	0	0	N/A	0	0	N/A
Employees and workers	Yes	3	0	N/A	0	0	N/A
Customers	Yes	128	0*	N/A	166	3*	N/A
Value Chain Partners	Yes	0	0	N/A	0	0	N/A
Others	Yes	0	0	N/A	0	0	N/A

* Complaints pending for resolution at the close of FY 2023 were closed in FY 2024 and no pending complaints from FY 2024.

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Governance & Business Ethics	Opportunity	Strong governance and ethical standards enhance a company's reputation thereby attracting customers, investors and partners who value integrity and transparency.	-	Positive
2	Consumer financial protection	Risk	Failing to safeguard consumer's financial interests or mis-selling financial products may result in loss of trust, customer dissatisfaction and ultimately financial repercussions for the business.	Implementing robust protection measures such as data encryption, raising awareness, transparency in lending practices etc.	Negative
3	Access to finance	Opportunity	Inclusive finance promotes economic empowerment and enables small businesses and entrepreneurs to access resources for growth and development.	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Customer relationship management	Opportunity	Understanding customer needs and providing services as per customer segment helps in building trust and increase customer retention rate. KFL focusses on varied needs of businesses with doorstep service, Transparent & Simple processing, Faster Turn Around Time etc.	-	Positive
5	Digital transformation	Opportunity	Digitalisation of operational processes provides opportunities to improve efficiency, enhance customer experience, expand market reach, and offers competitive advantage.	-	Positive
6	Transparency & disclosures	Opportunity	Transparency contributes to a positive reputation and reinforces trust. Disclosing appropriate information demonstrates accountability to stakeholders.	-	Positive
		Risk	Inadequate reporting or disclosures may undermine investor confidence, lead to legal implications, and may harm the financial performance of the organisation.	Transparent governance system with policies and procedures in place. Reporting and disclosing relevant information in alignment with global frameworks like GRI/TCFD/IIRC.	Negative
7	Regulatory compliance	Risk	Failure to comply with the regulatory requirement or industry standards may lead to legal consequences, fines, reputation damage etc.	Establishing robust compliance framework and staying updated about the changes in applicable laws is crucial for mitigating regulatory compliance risk.	Negative
8	Stakeholder engagement	Opportunity	Actively engaging with the stakeholders promotes trust and loyalty. It helps in understanding the needs and expectations of the customers, investors, employees, communities, regulators etc. It enables customisation of services to align with stakeholder requirement.	-	Positive
9	Cybersecurity & data privacy	Risk	Cyber-attack may result in threatening organisation's data, assets, systems, or networks. It can have a significant impact on the operations and financial stability.	Implementing adequate security measures with defined policy and procedures. Regularly updating the system and raising awareness among employees. Conducting IS audit and VAPT assessment to ensure higher degree of cyber security & data privacy. Internal audits to ensure alignment with global standards like ISO 27001.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Risk management	Opportunity	Identification and understanding risks to make informed decisions, strategic planning and adapting to changing environment can foster resilience and drive long-term success.	-	Positive
		Risk	Failure to identify and address risks can lead to operational disruptions, increased vulnerability to unforeseen events and regulatory non-compliance.	Effective risk management framework along with ESG and climate risks integrated in the risk assessment process. Continuous monitoring and review of risk management strategies and controls.	Negative
11	Human capital development	Opportunity	Enhancing the workforce skills improves individual performance, increased efficiency and capability contributing to overall organisation's success	-	Positive
12	Employee wellbeing	Opportunity	Prioritising employee wellbeing and health & safety fosters positive work environment and improved overall productivity. It attracts talent and reduces employee turnover rate. It reduces the accidents and inculcate a culture of security.	-	Positive
13	Workplace health & safety	Opportunity		-	Positive
14	Energy & emission management	Opportunity	Implementing energy efficiency practices lowers operational expenses & enhance sustainability performance. Integrating energy & emission management into business strategies can lead to long term gains.	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
c. Web Link of the Policies, if available	<u>Anti-Bribery and Anti-Corruption Policy, KYC and AML (Anti-money laundering) Policy, Code of conduct and ethics,</u>	<u>ESG Policy (Procurement policy, Code of responsible investing)</u>	<u>ESG Policy (Employee health and safety policy)</u>	<u>ESG Policy (Stakeholder Engagement plan)</u>	<u>Prevention Of Sexual Harassment at the Workplace Policy, *Human resource policy</u>	<u>ESG Policy (Environment Policy, Waste management policy)</u>	–	<u>Corporate Social Responsibility (CSR) Policy</u>	*Cybersecurity policy
ESG policy Comprises: On site Emergency Policy, Environment Policy, Employee health and safety policy, Waste Management Policy, Policy on prohibited activities, Procurement Policy, Stakeholder Engagement plan, Code of responsible investing. *Policies not disclosed publicly Other policies of KFL can be accessed through the link: www.kogta.in/investor/policy/									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes, the Company has translated the policies as applicable and imbibed the same into procedures and practices in all spheres of activities that the Company undertakes. It has formulated SOPs for each process which is downloaded to its respective department/function of the Company.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	None								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	KFL has developed its sustainability strategy encompassing goals and targets for the year 2030 with a firm commitment to accomplishment. These objectives include a 25% reduction in carbon emission intensity, engaging with 60% of the customers for feedback, establishing a gender diversity ratio of 10%, attaining 90% digitalisation in business processes and more. These dedicated efforts will navigate the path of the company to progress on its sustainability journey.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	KFL has set its objectives and targets in the current fiscal year (2023-24) and is dedicated to advancing towards these goals. Performance against the Key Performance Indicators (KPIs) will be disclosed starting from next financial year (2024-25).								

Governance, leadership and oversight

- 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**
- With the growing concerns around climate change, it is no more of a buzzword but a responsibility that has brought up commitments from industries and organisations around the world. India too have pledged in achieving a target of Net Zero by 2070 with new regulations prevailing around.
- Finance sector will be playing a crucial role in the context of India achieving Net Zero. India's "Long-Term Low-Carbon Development Strategy (LT-LEDS)" outlines on a number of subject matters such as hydrogen economy, low carbon technologies, carbon capture etc. These state-of-the art technologies and solutions contributing to the reduction of emissions and carbon, will see investments at an enormous scale globally and in India. Financial Institutions would require sound understanding of ESG-related investments and risks associated with it. In this context the Reserve Bank of India too has released a draft Disclosure framework on Climate-related Financial Risks in 2024 for banks, financial institutions, and non-banking financial companies. This calls for disclosure for climate-related financial risks and opportunities for the users of financial statements. These regulations and the change in the context of how an organisation operates its business has brought in a renewed definition for investments and finance altogether.
- The Securities and Exchange Board of India mandates the top 1000 companies by market capitalisation for mandatory disclosure on the overall ESG matters of the organisation in the format termed Business Responsibility and Sustainability Report (BRSR). Although this approach of ours is voluntary, we are glad to disclose our maiden BRSR Report encompassing company's ESG performance. The report speaks our current commitments to addressing ESG challenges in our operations. We have set ambitious targets under ESG Strategy for 2030 to enhance our environment sustainability, improve social impact and uphold strong governance practices. Performance against these targets will be disclosed in the upcoming financial year (FY 2024-25).
- Our dedication to ESG Principles not only strengthens our business resilience but also reinforces our role as responsible corporate citizens.
- 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies**
- Mr. Arun Kogta
Managing Director & Chief Executive Officer
- 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**
- Till Financial year ended on March, 2024 all the sustainability compliances including ESG risk and relevant reports were reviewed and approved by the Risk Management Committee and the Board. Basis the suggestions received from the Board in its meeting held on May 15, 2024, KFL has formed a Board level Committee i.e. Sustainability Committee to monitor ESG and sustainability compliances and initiatives of the Company.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action																		
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances																		

- 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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No

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	KFLs policy does not cover Principle 7 as the company is not a part of any trade and industry chambers/associations which is engaged in influencing public and regulatory policy.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not applicable								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not applicable								
It is planned to be done in the next financial year (Yes/No)	Not applicable								
Any other reason (please specify)	Not applicable								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.
Essential Indicators
1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentages of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	Nil	Nil	Nil
Key Managerial Personnel (KMPs)	-	Code of Conduct, Fair Practice Code, POSH at workplace, Whistleblower Policy, Grievance Redressal Mechanism, Know Your Customer (KYC) norms, outsourcing of financial activities, Compliances to be maintained at all branches, Charge creation of assets, Release of property documents of customers, ESG Awareness, No discrimination, Fire Safety Training, Cyber Safety & Scam awareness, First-aid training, Mental Health Awareness, Road Safety Training, Awareness on Pulmonary health	100 %
Employees other than BoD and KMPs	-	Code of Conduct, Fair Practice Code, POSH at workplace, Whistleblower Policy, Grievance Redressal Mechanism, Know Your Customer (KYC) norms, outsourcing of financial activities, Compliances to be maintained at all branches, Charge creation of assets, Release of property documents of customers, ESG Awareness, No discrimination, Fire Safety Training, Cyber Safety & Scam awareness, First-aid training, Mental Health Awareness, Road Safety Training, Awareness on Pulmonary health	100 %
Workers	NA	NA	NA

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

Monetary					
	NGRBC Principle	Name of the Regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty / Fine	0	-	0	NA	NA
Settlement	0	-	0	NA	NA
Compounding fee	0	-	0	NA	NA

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

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

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

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

Yes, KFL upholds a stringent policy against bribery and corruption, endorsed by its Board. This policy communicates the organisation's commitment to ethical conduct, guiding employees, executives, and stakeholders in making ethical decisions and actions. Its aim is to promote moral conduct and inhibit corrupt practices in dealings with both governmental bodies and the private sector. Anti-bribery and anti-corruption policy helps to ensure compliance with the laws, mitigating the risk of legal penalties and reputational damage. The organisation also offers training programs for its workforce to identify possible corrupt actions, trade-associated money laundering, and to ensure adherence to the Know Your Customer (KYC) and Anti-Money Laundering (AML) guidelines set by RBI. The policy is disclosed at KFL's website and URL of the same is provided below for ease of access.

https://kogta.in/admin/public/uploads/media/1693465800_Anti-Bribery%20and%20Anti-Corruption%20Policy.pdf

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

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	NA	NA

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

	FY 2024 Current Financial Year		FY 2023 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

Not Applicable

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

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Number of days of accounts payables	28 days	–

9. Open-ness of business

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

Parameter*		Metrics	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	NA	NA
	b.	Number of trading houses where purchases are made from		
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	NA	NA
	b.	Number of dealers / distributors to whom sales are made		
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributor		
Share of RPTs in*	a.	Purchases (Purchases with related parties / Total Purchases)		
	b.	Sales (Sales to related parties / Total Sales)		
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)		
	d.	Investments (Investments in related parties / Total Investments made)		

*Data against this point is disclosed in Annual report of the company for this FY i.e. 2023-24, under section details of contracts or arrangement or transactions at arm's length basis.

Leadership Indicators
1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has formulated the policies to manage the conflict of interest, applicable to all stakeholders of the Company, adhering to a corporate governance philosophy that emphasises independence and accountability. Six out of nine directors are non-executive, lessening influence over decision-making, all helping to mitigate conflict of interest.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

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

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	NA	NA	NA
Capex	NA	NA	NA

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

Yes, KFL adheres to a procurement policy designed to direct the company towards efficient, ethical, and transparent procurement practices. This policy is established to not only ensure value for money, but also to prioritise social and environmental sustainability within business operations. It falls under the umbrella of the company's ESG (Environmental, Social, and Governance) policy.

[ESG Policy.pdf \(kogta.in\)](#)

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

The service provided by NBFC are in the financial sectors and so procurement is related to purchases which facilitates its operations. All purchases are taken in line with procurement policy which aim to optimise both value-for-money and environmental sustainability of company's operation.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Not Applicable

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not applicable

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product /Service	% Of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	If yes, provide the web link
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Not applicable

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Not applicable		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Not applicable		

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

	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						
Not applicable						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable	

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

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

Category		% of employees covered by									
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/ A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/ A)	No. (F)	% (F/ A)
Permanent employees											
Male	4,527	4,527	100%	4,527	100%	NA	NA	4,527	100%	NA	NA
Female	202	202	100%	202	100%	202	100%	NA	NA	NA	NA
Total	4,729	4,729	100%	4,729	100%	202	100%	4,527	100%	NA	NA
Other than Permanent employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

Category		% of employees covered by									
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/ A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/ A)	No. (F)	% (F/ A)
Permanent employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Cost incurred on wellbeing measures as a % of total revenue of the company*	0.5%	-

2. Details of retirement benefits.

Benefits*	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers Covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	100%	NA	Y	100%	NA	Y
Other	-	-	-	-	-	-

* Above benefits provided to all applicable KFL employees

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

KFL cares deeply for its differently abled employees. It makes sure that all its offices and work areas are friendly and easily accessible to these employees. This shows our strong commitment to fairness, inclusivity, and respect for all employees. By embracing diversity and accommodating the needs of all our employees, we create a stronger, more inclusive work culture where everyone can thrive.

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

KFL adheres to a comprehensive HR policy that encapsulates the principles outlined in the Rights of Persons with Disabilities Act, 2016. While the company does not have a standalone equal opportunity policy specific to this act, inclusivity, and equal treatment of individuals with disabilities are integral components of the HR policy. KFL is committed to upholding the rights of persons with disabilities, ensuring their equality, dignity, and respect are safeguarded in all aspects of the operations. No distinct policy exists.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent Worker	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	NA	NA
Female	66.66%	100%	NA	NA
Total	90%	100%	NA	NA

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

	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	-	-
Other than Permanent Workers	-	-
Permanent Employees	Yes	KFL has established a Grievance redressal policy that provides a well-defined mechanism to receive stakeholder concerns and address the same in a time bound manner. It fosters an open culture where employees are encouraged to communicate their grievances. It has established a streamlined process where employees can submit their grievances via email, involving all relevant HR partners. This approach ensures a prompt and efficient resolution of concerns.
Other than Permanent Employees	Yes	The Grievance redressal policy also covers third party service providers which ensures a comprehensive approach to handling complains and grievances. This emphasises our commitment to resolving issues across all categories of employees.

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

Category	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	NA			NA		
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Permanent Employees						
Category *	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Total	On Health and safety measures		Total	On Health and safety measures	
		No.	%		No.	%
Total	4,729	4,363	92.2%	3,993	3,256	81.5%

* Training provided on Fire Safety, POSH & Mental health etc.

Permanent Employees						
Category	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Total	On Skill upgradation		Total	On Skill upgradation	
		No.	%		No.	%
Male	4,527	4,476	98.8%	3,817	1,311	34.3%
Female	202	192	95.0%	176	53	30.11
Total	4,729	4,668	98.7%	3,993	1,364	34.1%

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

Category	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent Employees						
Male	4,527	432	10%	3,816	456	12%
Female	202	30	15%	177	31	18%
Total	4,729	462	10%	3,993	487	12%
Permanent Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

10. Health and safety management system:

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

KFL has a procedure in place which is intended to address Health & safety related Risks identified during the risk assessment process. This system is part of a broader Environment & Social Management System, strategising to mitigate potential environmental and social risks. This procedure encompasses all of the company's operations and business processes. It includes provisions such as medical check-up, first-aid facilities, safety training emergency escape procedures, office safety assessments etc. The company has also established Health & Safety Policy, E & S Risk checklist, On-site Emergency Preparedness and Response Plan, SOP for Accident/Incident Handling and Health & Safety Risk assessment.

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

KFL employs a systematic and regular risk identification and assessment process to identify potential risks, including those related to health, safety, workplace, and operations. The company has established employee health

and safety policy which provides for the assessment of health and safety risks arising from operational activities and take appropriate actions to eliminate or reduce the risks. KFL also invests in safety training for work-related risks. Employees are trained in fire safety and emergency evacuation drills. Basic first-aid training is provided to all employees to ensure they can respond appropriately during emergencies. The company also emphasises road safety, training employees on safe driving techniques and all applicable rules and regulations. A dedicated team has been assigned the responsibility to evaluate and address work-related risks to ensure employee wellbeing.

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

Yes, KFL has a Standard operating procedure on handling, investigation & reporting of incidents and accidents for its employees. It details the protocol for responding to work-related incidents and accidents, including road accidents during employee commute.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, KFL has taken several measures to provide medical coverage for its employees to provide safety against the medical and healthcare emergencies, which includes Group Medclaim Policy for employees and their families and Group Personal Accident Cover.

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

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.40	1.54
	Workers	NA	NA
Total recordable work-related injuries	Employees	13	13
	Workers	NA	NA
No. of fatalities	Employees	1	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NA	NA
	Workers	NA	NA

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

At KFL, ensuring a safe and healthy workplace is a top priority. It has implemented comprehensive safety measures in all offices to create a secure working environment. In addition, the organisation proactively promotes employee well-being through regular health check-ups, including sponsored annual full-body health assessments. KFL's commitment to holistic employee health is further exemplified by initiatives such as yoga sessions, meditation sessions and fitness challenges. These activities not only contribute to physical well-being but also foster a culture of engagement and overall wellness among employees.

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

	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	16% offices assessed by KFL on working conditions and health & safety practices.
Working Conditions	

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

KFL has undertaken proactive measures to address safety-related concerns. Regular awareness campaigns have been disseminated to all employees through email, covering essential aspects such as the importance of wearing helmets, safe driving practices, and protocols for handling medical emergencies in the office. Moreover, during any pandemic, the organisation prioritise educating its employees on preventative measures and safety protocols. Additionally, to mitigate fire hazards, regular filling of fire extinguishers is diligently carried out. The commitment to safety extends to maintaining work hygiene, providing First Aid Facilities, and conducting Emergency Evacuation Drills, all contributing to the overall safety and well-being of the workforce.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

In cases of accidental death, it offers a comprehensive accidental insurance policy that provides the family with a compensation amount equivalent to 72 times the gross salary of the employee.

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

KFL is embarking on an endeavor to introduce a Supplier Assessment Program designed to evaluate its key suppliers, focusing on Environmental, Social, and Governance (ESG) criteria. This initiative aims to methodically scrutinise supplier performance across a spectrum of critical areas, including their environmental footprint, commitment to social responsibility, and adherence to robust corporate governance principles.

Through this assessment, the company will ensure that all the requirements under applicable laws are complied by the value chain partners.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024 Current Financial Year	FY 2023 Previous Financial Year	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Employees	1	0	NA	NA
Workers	NA	NA	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, there is no assistance program provided for employees to facilitate continued employability resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

No assessment of value chain partners has been carried out for the reporting year.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	NIL
Working conditions	NIL

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners -

Not applicable

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders
Essential Indicators
1. Describe the processes for identifying key stakeholder groups of the entity.

Each stakeholder brings a unique perspective and potential impact on the organisation. It is important to consider not only their interest but also their influence within the context of the business. The first step of the process is to identify the list of stakeholders involved in the business operation and shall include all the stakeholders irrespective of their interest/impact on the business operation. Identification of stakeholders shall also consider the roles and responsibility of stakeholders in the business operation which will help in facilitating better strategic planning, more effective communication, and a collaborative environment.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors/ Shareholders	No	<ul style="list-style-type: none"> • Updates through Meetings • E-mails • Telephones • Conferences 	<ul style="list-style-type: none"> • Monthly/Quarterly updates to all Investors. • On need basis 	<ul style="list-style-type: none"> • Effective governance framework with enhanced disclosures and transparency • Short-term gain and long-term business value • Protection of minority shareholders' rights • Enhance shareholder sustainable returns • Sustainability initiatives and strategy
Customer	No	<ul style="list-style-type: none"> • Email & Telephonic communication • One-to-one meetings • Grievance redressal mechanism 	<ul style="list-style-type: none"> • Monthly/Regular face to face interaction with customers by business and collection verticals 	<ul style="list-style-type: none"> • Innovative products • Excellent customer service experience • Timely response on queries and end-to-end solutions • Adequacy of risk coverage & efficient claims settlement • Competitive pricing • Data privacy • Customer feedback • Sustainability initiatives and awareness

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> Email Direct interaction with HR Display of notices /policies Training and programmes 	<ul style="list-style-type: none"> Interaction/feedback session between HR and Employee on ongoing basis 	<ul style="list-style-type: none"> Proper training, learning and development Job security Fair and timely payment of salaries Employee benefits Feedback and recognition from higher authorities Career development Safe and diverse work culture Work-life balance Employee well-being Sustainability initiatives and awareness
Communities	No	<ul style="list-style-type: none"> Awareness Programmes 	<ul style="list-style-type: none"> On need basis 	<ul style="list-style-type: none"> Responsible engagement process to mitigate social and environmental related issues Contribution to CSR initiatives and community welfare Promote education
Suppliers/ Vendor	No	<ul style="list-style-type: none"> Emails & Telephonic communications Regular one to one Vendor meetings Due diligence while engagement with suppliers 	<ul style="list-style-type: none"> On need basis 	<ul style="list-style-type: none"> On-time settlements of invoices Fair Service-Level Agreements (SLAs) and procurement policy framework Information-Sharing on priorities and requirements Sustained business opportunities Sustainable practices
Media	No	<ul style="list-style-type: none"> Emails & Telephonic communication Display on websites Social media channels 	<ul style="list-style-type: none"> On need basis 	<ul style="list-style-type: none"> Enhanced disclosure and transparency Publicly available statements regarding leadership approach towards the underlying ESG themes Approachability for comments and verification
Government and Regulators	No	<ul style="list-style-type: none"> Emails and telephonic communication 	<ul style="list-style-type: none"> On need basis 	<ul style="list-style-type: none"> Internal controls and accountability Data integrity and transparency in disclosures Statutory and legal compliance Timely tax payment Supporting regulation guidelines, policies and responsible finance

Leadership Indicators

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

The consultation process between stakeholders and the board centres around feedback from diverse communication channels as detailed in the Stakeholder Engagement Plan (SEP). Feedback undergoes thorough review by the stakeholder relationship committee, with salient concerns communicated to the board through board meeting. Specialised committees cater to specific issues: The audit committee ensures regulatory compliance; the CSR committee addresses community concerns and engages relevant initiatives; and the Risk Management Committee oversees Environmental, Social, and Governance (ESG) and sustainability matters, crafting strategies as necessary to mitigate potential risks. Importantly, these committees furnish the board with summarised reports of stakeholder concerns, actions taken, and proposals for future steps. This comprehensive, structured, and responsive consultation process ensures effective consideration of stakeholder input in areas of economic, environmental, and social impact.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Stakeholder consultation is a crucial process for gathering insights and perspectives on environmental and social topics. To establish the ESG strategy for the organisation, KFL actively engaged both internal stakeholders (comprising employees, leadership, and senior management) and external stakeholders (including investors, NGOs, customers, and suppliers) to solicit their invaluable insights on the significance of identified ESG concerns. The weightage of stakeholder feedback was calibrated based on their respective influence on KFL's operational landscape to identify the material issues. These material issues were prioritised as low, medium, and high and were structured around three fundamental pillars to arrive at the ESG framework of KFL. Twelve focus areas have been divided to include all ESG aspects. KFL has set its goals and targets for 2030 based on these material issues. Company policies have also been updated to include ESG requirements in accordance with the stakeholder feedback.

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

Our initiatives help marginalised communities like farmers, small road transporters, and taxi operators secure loans, supporting them to grow their businesses. We also provide affordable financial products to the economically weaker and small-scale entrepreneurs to foster development. Additionally, we're committed to bolstering retail traders through our MSME product policies that aid in expanding their businesses. In essence, our engagement and actions actively address the needs of marginalised stakeholders, fostering economic growth and sustainable futures.

The company's CSR initiatives aims to empower communities by making meaningful contributions that address their social, economic, and financial challenges. KFL focusses on supporting the fundamental needs of communities, striving to create a lasting impact for the beneficiaries.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	4,729	4,320	91.35	3,989	2,959	74.17
Other than permanent	NA	NA	NA	NA	NA	NA
Total employees	4,729	4,320	91.35	3,989	2,959	74.17
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total employees	NA	NA	NA	NA	NA	NA

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

Category	FY 2024 Current Financial Year					FY 2023 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	4,527	301	6.65%	4,226	93.35%	3,816	316	8.28%	3,500	91.72%
Female	202	19	9.41%	183	90.59%	177	23	12.99%	154	87.01%
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Workers										
Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

a. Median remuneration / wages:

	Gender	Total Number	Median remuneration/salary/wages of respective category (₹)
Board of Directors (BoD) ¹	Male	3	113.66 Lacs
	Female	0	-
Key Managerial Personnel ²	Male	3	53.25 Lacs
	Female	0	-
Employees other than BoD and KMP	Male	4521	3.8 Lacs
	Female	202	3.6 Lacs

Note

¹ BoD – The count is 9 which includes 3 executive directors. The remuneration of 3 executive directors is considered for the calculation of median.

² KMP count is 6 which includes 3 executive directors as well. Remuneration data is considered for KMPs other than 3 executive directors.

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

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Gross wages paid to females as % of total wages	4%	3.5%

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

Yes, the company has a dedicated HR team that is primarily responsible for assessing Human & Labor rights issues within the organisation and taking appropriate actions to eliminate or reduce such risks. The organisation has an Internal Complaints Committee (ICC) for addressing workplace sexual harassment issues as per the 2013 Act. The ICC investigates complaints, recommends action, and prepares an annual report on its work.

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

To address grievances related to human rights issues, KFL has established a structured and confidential process. Individuals can submit their concerns through email, and the company has designated a specific email ID dedicated to handling such matters. This approach ensures a discrete and secure channel for reporting and redressing human rights-related grievances.

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

	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

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

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

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

To proactively address and prevent consequences in discrimination and harassment cases, KFL has implemented a multifaceted approach. It conducts POSH (Prevention of Sexual Harassment) training for all employees, fostering awareness and understanding of appropriate workplace behavior. Regular awareness mailers are disseminated to reinforce the organisation's commitment to an inclusive and respectful workplace. Employees are actively encouraged to report any instances of discrimination they face, and a clear mechanism is in place to ensure fair and corrective action is taken promptly.

Moreover, the sexual harassment policy is communicated during company orientation sessions for new joiners. To provide a confidential avenue for reporting, KFL has a dedicated email ID specifically for discrimination and harassment complaints, ensuring that every concern is heard, addressed, and resolved fairly and transparently. Importantly, we also ensure that the received complaint is handled with the utmost confidentiality by committee members. We do not disclose the details of the complaint with anyone outside the necessary investigative and resolution process, maintaining the privacy and security of all involved parties.

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

Yes, the company ensures that human rights requirements, including minimum wages, earned leaves and the prohibition of child labor, forced labor, and human trafficking, are integral parts of its business agreements and contracts.

10. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	16% offices assessed by KFL for human right related aspects
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

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

No such instances have been reported or risks identified during the assessment. However, KFL takes proactive measures to mitigate potential risks and ensure ongoing compliance with human rights standards. This includes continuous monitoring/safety assessments, stakeholder engagement, training and capacity building, grievance redressal mechanism and transparency in reporting.

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

None

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

KFL conducts an internal assessment of its offices on an annual basis through E&S checklist covering aspects on Human Rights, Emergency preparedness, building safety related compliance, Notice board display, compliances, Environment & social Aspects, Facility Details etc. This checklist covers social aspects also and assessment is performed to verify the compliance as per requirements. KFL always strives to provide safe, reasonable working conditions including for those in remote locations.

Also, KFL strongly prohibits any form of child labor, forced labor, or other types of mandatory labor in its activities. It also strives to ensure that its vendors and suppliers uphold human rights and labor laws, including the prohibition of child/forced labor, through a duly signed ESG declaration from them.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Most of our offices are located in commercial complexes which are equipped to cater to the needs of differently abled visitors. Accessibility features such as lifts and elevators ensure that those reliant on mobility aids can navigate the premises easily.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Nil
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

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

Not applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024 Current financial year	FY 2023 Previous financial Year
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	4,453.04 GJ	3,912.6 GJ
Total fuel consumption (E)	0	0
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	4,453.04 GJ	3,912.6 GJ
Total energy consumed (A+B+C+D+E+F)	4,453.04 GJ	3,912.6 GJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	5.8 GJ/Cr	7.5 GJ/Cr
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. – Not applicable

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

Parameter	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Water withdrawal by source (in kilolitres)		
4 (i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water (Municipal water supplies)	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others (Rainwater storage)	NA	NA
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	NA	NA
Total volume of water consumption (in kiloliters) *	52,004.92 kiloliters	43,943.62 kiloliters
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	67.5 KL/Cr	84.2 KL/Cr

Parameter	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	NA	NA
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

* Estimated calculation @45 liters per person per day as per NBC rules

4. Provide the following details related to water discharged:

Parameter	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Water discharge by destination and level of treatment (in kilo liters)		
(i) To Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater	- NA	- NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third parties	- NA	- NA
- No treatment (Water sent for treatment to Central Effluent Treatment Plant)*	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	- NA	- NA
- No treatment	NA	NA
- With treatment – Tertiary treatment	NA	NA
Total water discharged (in kilo liters)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. – Not applicable

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format *:
 Not applicable

Parameter	Please specify unit	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
NOx	Kg	-	-
SOx	Kg	-	-
Particulate matter (PM2.5)	Kg	-	-
Particulate matter (PM10)	Kg	-	-
Persistent organic pollutants (POP)	Kg	-	-
Volatile organic compounds (VOC)	Kg	-	-
Hazardous air pollutants (HAP)	Kg	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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

Parameter	Unit	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	0	0
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	1,022.96	880.33
Total Scope 1 and Scope 2 emissions	Metric tons of CO ₂ equivalent	1,022.96	880.33
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tons of CO ₂ equivalent/ turnover in crores	1.33	1.69
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		NA	NA
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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

As a commitment to environment conservation and GHG reduction, KFL has carried out extensive plantation at Pan-India locations, through Kogta Foundation as part of its CSR activity. Tree guards were installed around the newly planted saplings for the first few years after planting to ensure adequate survival of the trees.

KFL also collaborated with NGOs, including NGO Pure India Trust in Jaipur (Rajasthan) and EFI NGO, Indore & Ayodhya Shriram Welfare Society, Indore (Madhya Pradesh) to plan and execute these tree plantation drives. Drives spanned across Rajasthan, Delhi, Gujarat, Madhya Pradesh, Punjab, Haryana, and Maharashtra. Employees, customers, and local communities were engaged to advocate for nature. KFL volunteers planted around 600 trees, demonstrating remarkable teamwork in environmental preservation.

KFL has calculated the annual carbon sequestration potential based on the projected survival rate of the trees in the coming years.

CO ₂ Sequestration per year											
Year	0	1	2	3	4	5	6	7	8	9	10
Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
CO ₂ Sequestration (tonnes)		11	13	15	18	20	23	26	28	31	33
Number of Surviving Trees	2,986	2,383	2,198	2,108	2,025	1,965	1,909	1,856	1,803	1,760	1,721

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

Parameter	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Total Waste generated (in metric tons)		
Plastic waste (A)	0	0
E-waste (B)	0.44	0.51
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Haz. Waste from process + Haz. Waste from pollution control equipment's, + Filter bed sand+ Filter bags etc. (G)	0	0
Other Non-hazardous waste generated (H). MS Scrap + Aluminum scrap (Break-up by composition i.e., by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	0.44	0.51
Waste intensity per rupee of Turnover (MT/ Cr) (Total waste generated / Revenue from operations)	0.00057	0.00098
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	NA	
Waste intensity in terms of physical output	NA	
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled	0.44	0.51
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0.44	0.51

Parameter	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste*		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0	0

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The services provided by KFL do not generate any toxic chemical waste. However, KFL has established a waste management policy which outlines the arrangements to minimise waste production, improving waste segregation, and management aspects of all types of waste (including e-waste).

All type of waste generated in the premises of the company are managed and handled in accordance with the compliance criteria and the procedure laid down in the solid waste management rules and e-waste management rules notified by Government of India Ministry of Environment, Forest and Climate change as amended from time to time.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

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

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes

Leadership Indicators

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

For each facility / plant located in areas of water stress, provide the following information: Not applicable.

- (i) Name of the area:
- (ii) Nature of operations:
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres) *		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Please provide details of total Scope 3 emissions & its intensity, in the following format: KFL is not monitoring Scope 3 emissions as of now however it has planned to initiate the same as a part of sustainability strategy of the organisation.

Parameter	Unit	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per Crore of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. - NA
4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Tree Plantation	KFL collaborated with specialised NGO partners - NGO Pure India Trust in Jaipur (Raj.) and EFI NGO, Indore & Ayodhya Shriram Welfare Society for Indore (MP). Drives were carried out at Rajasthan, Delhi, Gujarat, Madhya Pradesh, Punjab, Haryana, Maharashtra. Employees, customers, local community & other stakeholder groups were kept informed at all times through formal & informal communication platforms and were invited to be nature advocates through this activity.	Expected 11 tCO ₂ e Carbon emission to be sequestered in FY 2024
2.	Eco-Friendly Commuting	KFL is focusing on Eco-Friendly Commuting, where it aims to reduce the carbon footprint. Initiatives include: <ul style="list-style-type: none"> • Use of Public Transport • Vehicle Pooling • Walk or Bike 	During the campaign 120 employees volunteered for approx. 550 volunteer hours.
3.	World Environment Day	A week-long "Care & Connect" program was held on World Environment Day, where KFL employees volunteered to clean waste and plastic from Biological Parks and Wildlife Sanctuaries, feed animals, and nurture tree saplings.	150 Volunteered for approx. 225 volunteer hours

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
- Yes, KFL has a robust Disaster Recovery (DR) plan and Business Continuity Plan (BCP) in place. These plans are designed to ensure seamless continuity of operations, including services to customers, when confronted with any adverse events. The company also provides flexible working options to its employees as part of its operational and business continuity in any disaster management situation. The Business Continuity Policy of the KFL is designed to manage risks and ensure resilience in disaster situations, such as the COVID-19 pandemic. The policy includes operational and business continuity measures, which involve classifying branches and offices into different stages based on the severity of the situation and implementing strategies accordingly. These strategies range from regular functioning to complete lockdown, with provisions for work from home and digital modes of payment. The policy also includes a Disaster Recovery Policy, which is part of business continuity planning. The policy is reviewed and enforced by the Risk Management Committee.
6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?
- There has been no adverse impact arising from the value chain of KFL. The company has limited suppliers related to stationery and office consumables and it also obtains a formal declaration (ESG declaration) from suppliers and vendors, as an acknowledgement and commitment to meeting its ESG criteria outlined in the ESG policy.

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

Nil

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with and industry chambers/ associations.

—

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	—	—

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

—

Leadership Indicators

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

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

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Not applicable					

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not applicable						

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

KFL has established a structured grievance redressal framework to address the concerns of various stakeholders such as customers, employees, investors, and communities. This framework is maintained as per the Grievance Redressal Policy and is overseen by the Stakeholders Relationship Committee, which includes an Independent Director and two executive directors. Stakeholders can reach out to the Grievance Redressal Officer or submit their queries on the company's website. The company ensures prompt and effective resolution of these grievances. Additionally, summaries of complaints received from investors and customers are disclosed in the Corporate Governance section of the Board Report and in the notes to accounts of financial statements.

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

Parameter	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Directly sourced from MSMEs/ small producers	3.2%	-
Directly from within India	100%	100%

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

Location	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Rural	0.89%	0.75%
Semi-urban	5.41%	4.71%
Urban	59.25%	58.73%
Metropolitan	34.45%	35.81%

*(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

—

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

No, KFL has procurement policy in which states that preference is given to goods, works and services certified to internationally recognised principles of environmentally and/or socially sustainable management. KFL also reviews the environmental and social sustainability of suppliers of goods, works and services in its evaluation of bids and offers.

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

—

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

—

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
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5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
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6. Details of beneficiaries of CSR Projects:

S. No.	CSR Projects	No. of persons benefited from CSR Projects 2023	% of beneficiaries from vulnerable and marginalised groups
Education			
1.	Facilitated the construction of Mahatma Gandhi Govt. Sr. Sec. School in partnership with Round Table India in Jaipur, Banipark	School capacity: - 500 students per year	-
2.	Facilitated the construction of a Govt. Senior Secondary School in collaboration with Round Table India's JHRT 185 in Khora Bisal (Jaipur)	School capacity: - 500 students per year	
3.	Granted scholarships worth ₹ 2,64,000 to two deserving students pursuing higher studies from IIT	2	
4.	Collaborated with Ashoka University to provide ₹ 5,00,000 for scholarships to foster a dynamic learning environment and empower future leaders.	NA	
5.	'Cinema On Wheels' initiative with an aim to entertain and inspire students through mobile movie screenings in remote areas	Approx 2000 students	
6.	Construction of Shelter for the students in Mahesh shiksha sadan, Bijainagar (Rajasthan)	School Capacity: 500 students per year	
7.	Notebook Distribution for school students	Approx. 500 Students	
8.	Pens Distribution in Schools for Kids	Approx. 500 Students	
Skill Development			
	To promote Skill Development & People Welfare, KFL collaborated with Dakshiva Welfare Foudnation	Approx. 500	
Health & Safety			
9.	KFL facilitated the construction of Hospital Wing of Shubham Seva Sansthan Prakartik Chikitsalaya in Gulabpura (Bhilwara)	Capacity: 50 Patients per day	
10.	Road Safety: Distributed 600 helmets to raise awareness and protect individuals from road accidents	600	
11.	Facilitated the construction of Hospital Wing of Mahesh Hospital, Jaipur	Capacity: 50 Patients per day	

S. No.	CSR Projects	No. of persons benefited from CSR Projects 2023	% of beneficiaries from vulnerable and marginalised groups
12.	Organised students eye checkup camp with Bharat Vikas Parishad at bijainagar. Eye glasses provided to needy students.	Approx. 500 Students	
13.	7 Days Yoga & Meditation Camp in collaboration with "Sun to Human Foundation"	NA	
14.	Yoga & Meditation session for people in collaboration with Yogoda Satsang Society	NA	
Community Welfare			
16.	Addressing the community's potable water needs, we facilitated the construction & regular maintenance of water huts at public spots in Jaipur, Bijainagar, Malpura & Chaksu (Rajasthan)	NA	-
17.	Distributed 1500 blankets in Bijainagar, Malpura and Jaipur (Rajasthan)	1500	-
18.	Extensive Tree Plantation & Maintenance activities - in Jaipur, Bijainagar, Malpura, Delhi, Vidisha & Indore	NA	
19.	To promote fitness in rural areas, KFL provided GYM equipment to Malpura (Rajasthan)	NA	
20.	Contributed to welfare of disable persons in collaboration with Divyang utthan foundation NGO	NA	
Animal Welfare			
21.	Monetary contribution to Shri Krishna Gopal Gaushala & Sri Krishna Balram Seva Trust	Approx. 18,000 cows	

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

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

KFL has established Grievance Redressal mechanism to handle concerns and complaints from various stakeholders, including customers, employees, investors, and communities. Stakeholders can easily get in touch with our Grievance Redressal Officer as per the policy or submit their concerns directly on our website. (<http://www.kogta.in/pages/contact-us/>).

The company also developed a structured framework for grievance redressal that incorporates a review mechanism for customer queries or concerns relating to our products. Furthermore, we have a dedicated team & a helpline number for customer care that exclusively handles customer feedback and addresses grievances. This team ensures that every concern raised is analysed thoroughly and help is extended promptly and efficiently. Also, status of stakeholder's complaints is updated to Stakeholder Relationship Committee on quarterly basis. We believe that this mechanism enables better communication, fosters a sense of trust, and ultimately improves our products and services.

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

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

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

	FY 2024 (Current Financial Year)			FY 2023 (Current Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	N/A	0	0	N/A
Advertising	0	0	N/A	0	0	N/A
Cyber-security	0	0	N/A	0	0	N/A
Delivery of essential services	0	0	N/A	0	0	N/A
Restrictive Trade Practices	0	0	N/A	0	0	N/A
Unfair Trade Practices	0	0	N/A	0	0	N/A
Other	128	0*		166	3*	Received at the end of month and was resolved within the timelines.

* Complaints pending for resolution at the close of FY23 were closed in FY24 and no pending complaints from FY 2024.

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

Number	Reasons for recall
Voluntary recalls	Not applicable
Forced recalls	Not applicable

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

Yes, the framework and regulations set in place by KFL cover cybersecurity, as well as risks associated with data privacy. A robust governance structure has been implemented for the secure handling of information and data protection. This is achieved through an Information Technology Strategy Committee, IT Steering Committee, the Board-approved Information Technology Policy, as well as a Risk Management Committee at a board level. The IT policy is accessible internally and has been relayed throughout the organisation. The entity also follows Cert-in & ReBIT advisories to protect against global cybersecurity threats. Privacy Policy can be accessed on its website at <https://www.kogta.in/pages/privacy-policy/>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No such instances of faulty advertising, data breaches, penalties were observed for the reporting financial year. However, in the event of such instances, KFL possesses a robust compliance system to effectively address these matters.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches - Nil
- Percentage of data breaches involving personally identifiable information of customers - Nil
- Impact, if any, of the data breaches - NA

Leadership Indicators

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

Details about all the products and services offered by the company can be found on its website at [Apply For MSME Loans, Loan Against Property & Vehicle Loans Online \(kogta.in\)](https://kogta.in)

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

KFL utilises its social media channels to distribute easy-to-understand infographics in native languages to convey financial awareness information. The website also has a dedicated page for sharing blogs in understandable language and simplified terminologies on an array of finance-related subjects. Majority of our social media posts are created to inform & educate customers on critical financial skills and concepts, financial fraud awareness, cybersecurity and smarter financial decision-making. These posts are structured in interactive formats such as quiz, puzzles, surveys etc. to keep the information interesting, engaging & captivating for customers. The primary goals of these efforts are to improve customers' financial literacy, enable them to make well-informed financial decisions, and assist them in reaching their financial objectives.

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

KFL has developed a Disaster Recovery (DR) plan and Business Continuity Plan (BCP) to guarantee uninterrupted operations and customer services in the event of unexpected adversities. KFL employs strategies to handle and lessen the risks associated with disruptions or interruptions of crucial services.

- 4. Does the entity display product information on the product over & above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief? Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

KFL is offering asset backed financial services therefore displaying product information on products is not applicable. However, it complies with the disclosure requirements and communicates information about its offerings such as schedule of charges, duties & fees through company website. Additionally customers and other stakeholders are informed through product brochures, social media, branch display, etc. KFL communicates its Fair Practice Code to customers in various vernacular languages as per location of business operations.

Additionally, it actively seeks and monitors customer feedback to ensure high levels of customer satisfaction and continuous improvement. A dedicated team is overseeing this process to gauge customer satisfaction levels.



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