

BUSINESS RESPONSIBILITY REPORT ²⁰²¹⁻²²

Nalwa Sons Investments Limited

Introduction

As mandated by the Securities and Exchange Board of India (**'SEBI'**), India's top 1,000 listed companies based on market capitalisation on National Stock Exchange of India Limited (**'NSE'**) and BSE Limited (**'BSE'**) are required to submit 'Business Responsibility Report' (**'BRR'**) along with their Annual Report. Also SEBI vide its circular dated May 10, 2021 has introduced new reporting requirements on environmental, social and governance (**'ESG'**) parameters viz. the Business Responsibility and Sustainability Report (**'BRSR'**), in order to bring in greater transparency towards Company's sustainability objectives, position and performance resulting into long term value creation and to have quantitative and standardized disclosures on ESG parameters across companies, sectors and time. These requirements set the stage for taking a leap for better disclosures in the ESG space in India. The filing of BRSR is applicable for the top 1,000 listed companies based on market capitalization and has been made mandatory from F.Y. 2022-23. The submission of BRSR is voluntary for the current financial year 2021-22.

Nalwa Sons Investments Limited (**'the Company'**), intends to get itself familiarized with the new requirements over the period of next financial year and gradually adapt and align itself to higher standards of sustainability and have continued with the reporting requirements under existing guidelines of BRR for the reporting period.

BRR serves as a tool to communicate the performance of organization on Economic, Social and Governance (ESG) parameters to its stakeholders. It also motivates the company to measure, disclose, and be accountable for organizational performance while working towards the goal of responsible and sustainable development.

NSIL is delighted to present its third BRR for the Financial Year 2021-22. This report is developed in-line with the 'suggested framework' by SEBI.

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L65993DL1970PLC146414
2. Name of the company	Nalwa Sons Investments Limited ("NSIL/the Company")
3. Registered Address	28 Najafgarh Road, Moti Nagar Industrial Area, New Delhi- 110015
4. Website	www.nalwasons.com
5. E-mail ID	Investorcare@nalwasons.com
6. Financial year reported	2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Systemically Important Non-Deposit taking Non-Banking Financial Company(NBFC-ND-SI) (642)
8. List three key products/services that the company manufactures/provides.	The Company is registered as a NBFC under RBI guidelines and is engaged in the business of investing in the shares of group companies, granting loans to the group companies, for which the Company receives dividend, interest respectively.
9. Number of locations where business activities are undertaken by the company 1) Total number of International locations 2) Total number of National locations	International: Nil National: Regd. Office: 28 Najafgarh Road, Moti Nagar Industrial Area, New Delhi – 110 015 Branch Office: O.P. Jindal Marg, Hisar- 125005, Haryana Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110 066.
10. Markets served by the company Local/State/National/International	National Market

Section B: Financial Details of the Company

1. Paid Up Capital (INR)	₹ 5,13,61,630
2. Total Turnover (INR)	₹ 7,241.69 Lakh
3. Total Profit after Taxes (INR)	₹ 5,636.11 Lakh
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	₹ 12,00,000 0.21%

5. List of activities in which the expenditure in 4 above has been incurred.

NSIL has been involved in relief work in disaster/emergency situation and promoting health care including preventive health care.

Section C: Other Details

Does the company have any Subsidiary Company/Companies?

Yes, NSIL has three subsidiaries, namely:

- Jindal Steel & Alloys Limited
- Nalwa Trading Limited
- Brahmaputra Capital and Financial Services Limited.

1. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

No.

2. Do any other entity / entities (e.g. Supplier, distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? (Less than 30%, 30 – 60% and More than 60%)

No.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director responsible for implementation of the Business Responsibility policy/policies

Name	DIN Number	Designation
Mr. Rakesh Kumar Garg	00038580	Whole Time Director (designated as Executive Director & C.E.O.)

b) Details of the Business Responsibility Head:

DIN Number (if applicable)	00038580
Name	Mr. Rakesh Kumar Garg

Designation	Whole Time Director (designated as Executive Director & C.E.O.)
Telephone number	011-41462128
e-mail id	rakeshgarg@jindalstainless.com

2) Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for...?	Y	Y	Y	Y	Y	N	Y	Y	Y
2	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	N	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	N	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	N	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	The policies are implemented under the directions of Board/ Whole Time Director.								
6	Indicate the link to view the policy online?	www.nalwasons.com					N	www.nalwasons.com		
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	N	Y	Y	Y

3. Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Board will review the BRR on an annual basis.

- b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Business Responsibility Report is available on the Company website at the link: www.nalwasons.com. This will be a regular annual publication and forms a part of the Annual Report. In accordance with the SEBI Regulation, the Company shall adopt and publish BRSR as and when mandated by regulatory authorities.

Section E: Principle Wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

All employees/stakeholders of NSIL are subjected to work within the boundaries of this policy. The Company's Whistle Blower Policy provides a mechanism for individuals to report violations of the Code of Conduct, ethics policy, suspected or actual fraud, unethical behaviour, etc. without the fear of victimisation. Sufficient measures have been put in place to safeguard employees against victimisation.

Further, the Company also has a Code of Conduct for the Company's Directors and Senior Management, in line with the Group's visions and aims at enhancing ethical and transparent process in managing the affairs of the Company. A declaration of the Directors' and Senior Management's affirmation is communicated to all stakeholders by the Whole-time Director through the Annual Report.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

There were no stakeholder complaints received in the reporting period with regard to ethics, bribery and corruption. During the financial year under review, 12 (Twelve) complaints were received from the shareholders of the Company, all of which were attended to/resolved.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- 1. List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.**

The Company as on the date is a RBI registered NBFC-Non Deposit (ND) taking Company. In term of Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Company is a Systemically Important Non-Deposit taking-Non Banking Financial Company (i.e a non-banking financial company not accepting / holding public deposits and having an asset size of more than Rs.500 crores) having total assets of Rs. 9257.83 Crore. Accordingly, the Company is in the business of making investment in the shares of its group companies, providing loans and any other permissible investment activities. The Company ensures that all its investee companies adhered to and incorporate all social / environmental concerns.

- 2. For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product.**
 - (i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**
 - (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

The Company's business operation is such that the above question is not applicable.

- 3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Provide details thereof, in about 50 words or so.**

Nalwa Sons Investments Limited being a NBFC-ND-SI, is relatively less resource intensive in terms of material inputs. Our major material requirements are office, communications and IT related equipment. Despite the limited scope of our procurement needs, we continue to take initiatives to ensure responsible sourcing in our supply chain.

- 4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Not applicable to the Company considering its business operations

- 5. Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?**

Considering the Company's business operations, the question relating to mechanism of recycling products and waste does not arise. However, all recyclable waste collected at our office premises are separated (dry and wet waste) which are then handed over to an authorised waste processor for recycling / disposal.

Principle 3: Businesses should promote the wellbeing of all employees

1. **Please indicate the total number of employees:** 4 permanent employees.
2. **Please indicate the total number of employees hired on temporary/ contractual/casual basis.:** Nil
3. **Please indicate the number of permanent women employees.:** Nil
4. **Please indicate the number of permanent employees with disability. :** Nil
5. **Do you have an employee association that is recognized by management? :** No
6. **What percentage of your permanent employees are a member of this recognized employee association?:** Not applicable
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/ involuntary labour	Nil	N.A.
2	Sexual harassment	Nil	N.A.
3	Discriminatory employment	Nil	N.A.

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**
 - (a) Permanent Employees: 100%
 - (b) Permanent Women Employees: Not Applicable
 - (c) Casual/Temporary/Contractual Employees: Not Applicable
 - (d) Employees with Disabilities: Not Applicable

The Company is committed to the well-being and all-round development of its employees as it treats its employees as an essential part of Company's success. Although the Company is not engaged in a labour intensive business, it remains invested in group companies which are highly labour intensive and remain committed to provide a healthy and safe working environment for its employees, contractors, business associates and visitors on premises.

The Company regularly engages its employees and conducts various learning and development programs. The employees are provided opportunities to move across the domain, within the Group in order to gain wide exposure and develop their skillset.

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantage vulnerable, and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes. The Company have mapped its internal as well as external stakeholders and carries out engagements with investors, employees, clients and business partners etc. There is a defined set of processes for interacting and engaging with various stakeholders at various levels and specialised teams ensure communication with various stakeholders internally and externally which helps the Company in understanding their concerns and respond to them appropriately. The Company also have a dedicated Committee of the Board to engage and monitor the grievances of its investors and shareholders. In addition, the Company practices affirmative action and ensures there is no discrimination of any type against disadvantaged sections at the work place, be it social, economic or otherwise.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

The programmes under the Company's CSR initiatives are design to make it more focused towards those sections of the local communities which are disadvantaged, vulnerable and marginalized in general and women and marginalized in particular.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable, and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company as a part of its CSR philosophy has been focusing on improving the services in promoting health care including preventive health care. In the previous financial year, the Company undertook activities to providing oxygen supply to the needy persons in pandemic situation and treatment of 25 children's who were born with diseases of club foot. Detailed information about the same is provided in the Annual Report on CSR Activities which is annexed to the Directors' Report.

Principle 5: Businesses should respect and promote human rights

We strongly advocate against all kinds of discrimination and stand with them in the event of any violation. We are cognizant of the fact that every individual brings a different and unique set of perspectives and capabilities and as such, the Jindal Group is fully committed in employing people solely on the basis of their ability to do the job, prohibiting any discrimination based on race, colour, age, gender, sexual orientation, ethnicity, religion, disability, family status, social origin and so on. The Company, as a part of the Jindal Group implements various policies and procedures of the Group to prevent any kind of discrimination.

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

All employees/stakeholders of NSIL are subjected to work within the boundaries of policy. The Company has formulated Whistle Blower Policy which provides a mechanism for report violations of the Code of Conduct, ethics policy, suspected or actual fraud, unethical behaviour etc. It has also created a designated email id for collecting the grievances and their handling. The Company abides by all the rules and regulations related to human rights which is applicable in the area of operations.

The Company does not have a stated human rights policy. However, most of the aspects are covered in the manner in which the company conducts its business as well as in its human resources practices. All rules and regulations related to human rights which are applicable in the area of operations are abided by.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

We received no complaints regarding violation of human rights, during the reporting period.

Principle 6: Business should respect, protect, and make efforts to restore the environment

Although the Company endeavours to manage its business in a manner that conserves the environment, the Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company(NBFC-ND-SI) with a small number of employees, does not have any direct business operations which have any significant environmental impacts.

However, the Company remains substantially invested in its group companies engaged in the businesses which have a considerable impact on both a) the local environments in which the group companies operate; and b) the wider global environment. These companies believe in demonstrating responsible behaviour while adding value to the society and the community, as well as ensuring environmental well-being with a long-term perspective. To adhere to the above said commitments, these companies

disclose periodical information related to initiatives taken by them on Environment, Social & Governance (ESG) parameters.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

No

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

No

Principle 8: Businesses should support inclusive growth and equitable development

- 1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Company's CSR programs are aimed at supporting and empowering communities to tackle the issue related to living conditions of economically weak children, promoting education, women empowerment, drinking water and sanitation, public health of the community. In the financial year 2021-22, the Company focused on providing oxygen supply to the needy persons in pandemic situation and treatment of 25 children's who were born with diseases of club foot. More information about the same is provided in the Annual Report on CSR Activities which is annexed to the Directors' Report.

- 2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

Depending upon the project undertaken by the Company, certain projects / program are undertaken through our group trusts / external NGO.

- 3. Have you done any impact assessment of your initiative?**

The Company conducts periodic assessment of our work through a third party and incorporate its recommendations in alignment of our program.

- 4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

The Company has spent an overall amount of Rs. 12 Lakh towards CSR activities in F.Y. 2021-22. Brief particulars of the CSR initiatives undertaken by the Company are provided in the CSR section of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

For successful implementation and adoption of our community projects, we consult and engage with all appropriate stakeholders, right from the inception of the projects. Communities are also involved in delivery, as well as monitoring phases of the programs.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Nil.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

N.A.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Nil

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

N.A.