

BUSINESS RESPONSIBILITY REPORT ²⁰¹⁹⁻²⁰

Nalwa Sons Investments Limited

Introduction

In an age when enterprises are increasingly seen as critical components of the society, they are accountable not only to their shareholders from a revenue and profitability perspective but also to the larger society which is also its stakeholder. Hence, adoption of responsible business practices in the interest of the social set-up and the environment are as vital as their financial and operational performance.

Ministry of Corporate Affairs, Government of India, developed the 'National Voluntary Guidelines (NVG) on Social, Environmental and Economic Responsibilities of Business' in 2011. These guidelines contain comprehensive principles to be adopted by companies as part of their business practices.

Further Securities and Exchange Board of India (SEBI) has mandated top 1,000 listed companies of India by market capitalization to publish a Business Responsibility Report (BRR) based on NVG under SEBI Regulation 34(2) (f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR") as amended.

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 First BRR for the Financial Year 2019-20. 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	2019-20
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Non-Banking Financial Company (642)
8. List three key products/services that the company manufactures/provides.	The Company is registered as a NBFC-ND Company 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)	₹ 41,00,42,456
3. Total Profit after Taxes (INR)	₹ 24,57,98,774
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)	₹ 9,50,000 0.39%

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

NSIL has been involved in promoting education to the weaker section of the Society.

Section C: Other Details

Does the company have any Subsidiary Company/Companies?

Yes, NSIL has 4 subsidiaries, namely:

- Jindal Steel & Alloys Ltd.
- Jindal Holdings Limited
- Brahmputra Capital and Financial Services Limited.
- Jindal Stainless (Mauritius) Limited, Mauritius

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

		Currently, the policy has been uploaded on the Company's website and is communicated through the Business Responsibility Report as well as Annual Report. It is proposed to formally communicate the policy to all relevant internal and external stakeholders								
8	Does the Company have in-house structure to implement its policy/policies?	Y	Y	Y	Y	Y	N	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Y	Y	Y	Y	Y	N	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	As this is the first year of applicability of Business Responsibility Report., i.e. from 31st March 2020, hence the company has not carried independent audit / evaluation of this policy in financial year 2019-20.								

b) If answer against any principle, is 'No', please explain why: (Tick up to 2 options):

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles						Yes			
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done in the next 6 months									
5	It is planned to be done in the next year									
6	Any other reason (please specify)									

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.**

This is first year of adoption of BRR. The Board will review the BRR on a continual 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.

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.

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.

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. 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, 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?**

The Company being a NBFC-ND, have no manufacturing operations.

Principle 3: Businesses should promote the wellbeing of all employees

- 1. Please indicate the total number of employees**

4 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

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, at NSIL, we have identified investors, shareholders, and employees, customers, borrowers, Statutory Auditors, Internal Auditors, NGOs, government, regulators and competitors as our key stakeholder groups. Engagement responsibility for each stakeholder group is entrusted with specific teams in our Company.

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.

To meet the prime motive of the Company's CSR philosophy, a comprehensive approach to improve the living conditions of economically weak children, Promoting education and providing health care is taken up.

Principle 5: Businesses should respect and promote human rights

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

The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles and hence does not have a separate policy for this principle.

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.**

NSIL's ,CSR programs have been designed to address the issues of living conditions of economically weak children, promoting education, women empowerment, drinking water and sanitation, public health.

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 and paying directly to the beneficiary.

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?**

Projects undertaken	Amount spent in INR
Promoting education	9,50,000
Total	9,50,000

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.