

BUSINESS RESPONSIBILITY REPORT

SREI INFRASTRUCTURE FINANCE LIMITED

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company** : L29219WB1985PLC055352
2. **Name of the Company** : Srei Infrastructure Finance Limited
3. **Registered address** : ‘Vishwakarma’, 86C Topsia Road (South), Kolkata- 700046, West Bengal, India
4. **Website** : www.srei.com
5. **E-mail id** : secretarial@srei.com
6. **Financial Year reported** : April 01, 2016 to March 31, 2017
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

The Company holds a certificate of registration issued by the Reserve Bank of India (RBI) allowing the Company to carry on the business of non-banking financial institution under Section 45-IA of the RBI Act, 1934. The Company is classified as an Infrastructure Finance Company – Systematically important Non - Deposit taking under Section 45-IA of the RBI Act, 1934. The Company is also notified as a Public Financial Institution (PFI) by the Ministry of Corporate Affairs (MCA), Government of India.

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**

The Company is one of the largest private sector integrated and holistic infrastructure institutions constantly and consistently delivering innovative solutions in the infrastructure sector. The Company is primarily engaged in the business of Infrastructure Project Finance. The Company has been playing a significant role in nation-building for over two-and-a half decades, both in urban and rural India.

9. **Total number of locations where business activity is undertaken by the Company**
 - (a) **Number of International Locations (Provide details of major 5)** : Nil.
 - (b) **Number of National Locations** : Kolkata, New Delhi, Mumbai and Hyderabad.

10. **Markets served by the Company – Local/State/National/International**

The Company serves customers both in national and international locations.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR):** Rs. 503.08 Crores comprising of 50,30,86,333 equity shares of Rs. 10/- each.
2. **Total Turnover (INR):** Rs. 2,299.62 Crores. (Total Income which includes Revenue from Operations and Other Income).
3. **Total profit after taxes (INR) :** Rs. 96.07 Crores.
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**
 - a. **Average net profit of the Company for last three financial years (INR):** Rs. 97.75 Crore.
 - b. **Prescribed CSR Expenditure (two per cent of the amount as in Sl. No. 4(a) above) (INR):** Rs. 1.96 Crore.
 - c. **Total amount spent for the Financial Year:** The Company has spent Rs. 2.34 Crore i.e. approximately 2.39%. Appropriate disclosures as prescribed under the Companies Act, 2013 have been made in the annual report for the year ended March 31, 2017.
5. **List of activities in which expenditure in 4 above has been incurred:-**

The CSR activities are carried out by the Company in multiple ways:

1. Independently.
2. Jointly with Srei Foundation.
3. In partnership with external social bodies / NGOs.

The CSR activities are carried out along the following thrust areas which are within the permissible scope of CSR under the Companies Act, 2013:

- a. Education and Skills Development
- b. Healthcare / Medical facilities
- c. Social and Economic Welfare
- d. Environmental Sustainability.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

Yes, the Company had 15 subsidiaries as on 31st March, 2017.

2. **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)-**

Yes, the Company encourages its subsidiaries to participate in the BR initiatives. Almost all subsidiary companies directly or indirectly endorse or participate in the BR initiatives of the Company. Further, 2 (two) subsidiaries of the Company have contributed to the corpus of Srei Foundation during the Financial Year 2016-17.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].**

No.

SECTION D: BR INFORMATION

1. Details of Director / Directors responsible for BR.

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

1. **DIN Number:** 00048249
2. **Name:** Mr. Shyamalendu Chatterjee
3. **Designation:** Non-Executive and Independent Director

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	Mr. Shyamalendu Chatterjee, Non-Executive and Independent Director of the Company, oversees the BR implementation. However, the Company does not have a BR head as of now.
2	Name	
3	Designation	
4	Telephone number	
5	e-mail id	

Note: The Company has constituted a Business Responsibility Committee (BR Committee) comprising of Directors and Senior Executives. Mr. Shyamalendu Chatterjee is designated as Director responsible for implementation of the Business Responsibility Principles as well as the BR Policy of the Company.

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines (NVGs) on social, environmental and economic responsibilities of business prescribed by the Ministry of Corporate Affairs advocates the nine principles (detailed below) as P1-P9 to be followed:

P1. Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3. Businesses should promote the wellbeing of all employees.
P4. Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5. Businesses should respect and promote human rights.
P6. Business should respect, protect, and make efforts to restore the environment.

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

P8. Businesses should support inclusive growth and equitable development.

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

a. Details of compliance (Reply in Y/N):

No.	Questions	Ethics, transparency and accountability	Product safety	Well-being of employees	Stakeholders engagement	Human rights	Environment Policy	Public and regulatory policy	Inclusive growth	Value to customers and consumers
		P1	P2	P3	P4	P5	P6 (Refer Note)	P7 (Refer Note)	P8 (Refer Note)	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?*	Y	N	Y	Y	Y	Y	-	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	-	-	Y	Y
		The policies are based on NVG guidelines.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	-	-	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	-	-	Y	Y

No.	Questions	Ethics, transparency and accountability	Product safety	Well-being of employees	Stakeholders engagement	Human rights	Environment Policy	Public and regulatory policy	Inclusive growth	Value to customers and consumers
		P1	P2	P3	P4	P5	P6 (Refer Note)	P7 (Refer Note)	P8 (Refer Note)	P9
6	Indicate the link for the policy to be viewed online?	<ol style="list-style-type: none"> 1. Srei Investor Grievance Redressal Policy is available at www.srei.com/investor/corporate-policies 2. Whistle Blower Policy is available at www.srei.com/investor/corporate-policies 3. Corporate Social Responsibility Policy is available at www.srei.com/investor/corporate-policies 4. Nomination & Remuneration Policy is available at www.srei.com/investor/corporate-policies 5. Policy on Board Diversity is available at www.srei.com/investor/corporate-policies 6. Policy on Prevention of Sexual Harassment is available at www.srei.com/investor/corporate-policies 7. Srei Code of Conduct for Prohibition of Insider Trading is available at www.srei.com/investor/corporate-policies 8. Srei Code of Conduct for Board of Directors and Senior Executives is available at www.srei.com/investor/corporate-policies 9. Srei Fair Practices Code is available at www.srei.com/investor/corporate-policies 10. Corporate Governance Framework is available at www.srei.com/investor/corporate-policies 11. ESMS Policy is available at www.srei.com/investor/corporate-policies 12. Data Privacy and Protection Policy is available at www.srei.com/investor/corporate-policies 13. Dividend Distribution Policy is available at www.srei.com/investor/corporate-policies 14. Shareholders' Referencer is available at https://www.srei.com/investor/srei-shareholders/shareholders-referencer 								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	-	-	Y	Y
8	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	-	-	Y	Y

No.	Questions	Ethics, transparency and accountability	Product safety	Well-being of employees	Stakeholders engagement	Human rights	Environment Policy	Public and regulatory policy	Inclusive growth	Value to customers and consumers
		P1	P2	P3	P4	P5	P6 (Refer Note)	P7 (Refer Note)	P8 (Refer Note)	P9
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	-	-	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? #	Y	Y	Y	Y	Y	Y	-	Y	Y

Note:

P6: The aspects outlined under this Principle are not substantially relevant to the Company given the nature of its business. The Company complies with applicable environmental regulations in respect of its premises and operations. Further, the Company participates in initiatives towards addressing environmental issues. The Company also requires the borrowers of project loans to comply with the applicable environmental standards. The Company adheres to the RBI guidelines with respect to Lending to restricted industries.

P7: While there is no specific Policy outlined for this Principle, the Company, through trade bodies, chambers and associations, puts forth a number of suggestions with respect to the economy in general and the financial sector in particular.

P8: The Company directly and along with the Srei Foundation, has been working on several initiatives for promotion of inclusive growth.

* The consultations are conducted as required and where relevant.

All policies and practices are subject to internal audit and / or review from time to time.

b. If answer to question at Serial Number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	Ethics, transparency and accountability	Product safety	Well-being of employees	Stakeholders engagement	Human rights	Environment Policy	Public and regulatory policy	Inclusive growth	Value to customers and consumers
		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	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 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 meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

Periodically. The Business Responsibility Committee (BR Committee) meets at least once in a year or more often, if required to review and decide on any matter concerning applicability, interpretation, operation and implementation of the BR Policy. The BR Committee recommends amendments, if any to the BR Policy and also approves the BR Report which forms part of the Annual Report of the Company.

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

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (SEBI LODR) read together with SEBI notification dated

22nd December, 2015, the Annual Report of the top 500 listed entity based on market capitalization (calculated as on March 31 of every year) shall contain the Business Responsibility Report (BR Report) describing the initiative taken by them from an environmental, social and governance perspective, in the prescribed format from time to time.

Therefore, being the 1st year of implementation for the Company as it features in the top 500 list, the Company will publish its BR Report along with its Annual Report for the financial year 2016–17, in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (SEBI Listing Regulations).

SECTION E: PRINCIPLE-WISE PERFORMANCE

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

The Company is committed to acting professionally, fairly and with integrity in all its dealings. The Company has adopted a 'zero-tolerance' approach to bribery and corruption. The Srei Code of Conduct which captures the behavioural and ethical standards along with 'zero tolerance' towards bribery is applicable, inter alia, to directors and employees of the Company. The Company also has in place a Know Your Customer (KYC) and Anti-Money Laundering (AML) policy which states that statutory and regulatory obligations to prevent money laundering are to be met in full. The Company also has a Fraud Prevention & Detection Policy to facilitate the development of controls which will aid in the prevention, detection and reporting of fraud against the Company.

The Company's philosophy on Corporate Governance, inter alia, is aimed at enhancing long term shareholder value, achieving transparency and professionalism in all decisions and activities of the Company and achieving excellence in corporate governance.

The Company has developed good governance structure and formulated procedures and practices that ensure ethical conduct at all levels of the organization. The Company continuously reviews and upgrades the procedures and practices. The Company does not engage in any practice that is abusive and corrupt.

Further, the Directors, Management and Employees at all level ensure good governance, ethical practices, transparency and accountability in conducting affairs of the Company and dealing with stakeholders of the Company.

The Company promptly posts on its website information regarding quarterly, half yearly and annual financial results/statements (standalone as well as consolidated) of the Company and its subsidiaries, Notices of general meetings, Intimations of 'Record-date', Annual Reports, shareholding patterns, prospectus, profile of Board of directors and other information as per the SEBI Listing Regulations and provisions of the Companies Act, 2013 such that the same is easily accessible to the holders of the listed securities. The website is regularly updated from time to time.

The Company has prepared and published a Shareholders Referencer, a handbook for shareholders, which is available on the website of the Company under the head 'Investor Zone'. It serves as an easy

guide for the investor's share and dividend related queries and inter-alia covers the shareholders' grievance redressal mechanism and their duties & responsibilities.

To ensure that these principles translate into consistent practice, the below enablers lead the Company towards high standards of business conduct.

Board of Directors

Our Board of Directors lead the Company towards a sustainable growth path based on integrity, fairness and responsibility. The Board members bring to the table, a wealth of experience, the strength of entrepreneurship and the breadth of global perspective.

The Company conducted familiarisation programme for the independent directors. The Company has deployed the practice of separating the roles of the Chairman of the Board and CEO to ensure the right focus to governance.

Board Committees

Dedicated Board committees are formed to oversee important functions to increase the efficacy of governance. These are led by the top management team and comprise Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Committee, Committee of Directors, Asset Liability Management Committee, Credit Committee, Investment Committee and Business Responsibility Committee.

Code of Conduct & Policy

Our code of conduct encourages and enables our employees to succeed by embracing fair practices. In addition to the code of conduct, various policies have also been designed to address specific purposes.

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

The Company is primarily engaged in the business of Infrastructure Project Finance. Taking cognizance of the macroeconomic scenario, the Company has consciously adopted a cautious approach and exercised extreme prudence in its disbursements. The quality of loan portfolio has been consistently improving and stressed clients are being closely monitored towards prudent recovery.

The Company also ensures that its activities comply with applicable statutes and regulations. The Company works towards ensuring that services are provided in an ethical manner and in consideration of occupational health, safety & environment. Further, the Company adopts Environmental & Social Management System (ESMS) in order to reduce the business risk of its portfolio related to E&S issues and adhere to sustainable Finance practices.

Principle 3: Businesses should promote wellbeing of employees

The Company believes that employees are its most valuable asset and greatest strength. With this firm belief, the Company considers wellness, safe and healthy living of its employees as one of the important aspects of work culture. The Company has an extremely strong Employee benefit scheme supported by various insurance programs like health, health top-up, personal accident, term life, voluntary term life, EDLI etc. In order to boost the employee morale, the Company has introduced various innovative measures under its insurance platform like continuity of health cover post retirement, availing of continuity benefit post separation with the Company etc.

The Company has also invested heavily into preventive wellness for its employees. The range of services includes on-site complimentary health check-ups, health camps, discounted health check-up plans etc. To generate awareness among the employees, the Company keeps on organising health talks / shows where eminent medical stalwarts are invited to share from their rich experience. Srei Group, an award holder of Gold category last year, has elevated into winner of Platinum Award of Arogya, A Clinton Global Initiative of Healthy Workplace.

The Company provides equal opportunity to all employees starting from their recruitment irrespective of their caste, creed, gender, race, religion, language, disability or sexual orientation. The Company's employees belong to all parts of the Country and are selected based on individual merit without any discrimination or preference. The Company continues to encourage the capable female employees reaching senior positions and participating in the organization's decision making process.

During the year, the Company continued to take various initiatives for employee welfare such as encouraging employees towards a healthy lifestyle and supported various health initiatives such as Marathons, in house Health talks and promoted Sports Clubs for cricket, football and badminton etc.

The Company has adopted an initiative called 'Swasth Srei' with the intent to create a 'culture of wellness and safety' that fosters a long term commitment to healthy lifestyles and the reduction of health risks amongst the employees. Further, in order to prevent sexual harassment of women employees, the Company has also constituted Internal Complaint Redressal Committees at various workplaces.

The Company has also constituted a People Council, which is a cross functional leadership team who actually leads the talent pool. The People Council steered the roll out of new Performance Management System (PMS) and Compensation Policy in the Company. The highlight of this was an improved objectivity in performance management which had detailed job description of unique roles, standardized KRAs for all frontline jobs. Further, for the smooth assimilation of new recruits in the organization, Design for Success was rolled out which encompassed support to the new entrants. Such initiatives brought trust and transparency and the effect was an all-time high score of 77% (seventy seven per cent) under "Great Place to work" survey.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The stakeholders consist of customers, investors and market intermediaries, lenders, employees, society and government authorities. The Investors comprise of shareholders (including Institutional Investors) and Debenture holders. The lenders comprise of banks, financial institutions and public.

As an Infrastructure Finance Company, the liquidity and ongoing profitability are, in large part, dependent upon our timely raising of capital and the costs associated therewith. The funding requirements historically have been met from a combination of term loans from banks and financial institutions, issuance of Redeemable Non-Convertible Debentures etc.

The Company supports education institutions and provide opportunities to deserving students (from marginalized sections of society) through various channels. The Company also ensures and promotes a culture of healthy workforce by creating awareness and raising consciousness among people. The Company also supports the cause of building social institutions by advancing financial grant towards construction of houses, girl marriage and other social essentialities to the underserved.

1. Customers

The Company focuses on reaching closer to the grassroots and making the Company a preferred choice for providing holistic infrastructure financial solutions. The Company makes infrastructure financing solutions available to all qualified applicants without discrimination and the Company treats all customers consistently and fairly. The Company communicates to its customers in transparent manner about the terms and conditions of the finance, including interest rates and mechanism for redressal of customer's grievances, etc. in accordance with regulations stipulated by the Reserve Bank of India (RBI).

The Company ensures that while dealing with customers, the employees follow Srei Fair Practices Code. All customer grievances are effectively resolved through mechanism laid down in the Code. The Fair Practices Code is displayed on website of the Company at www.srei.com.

2. Investors and Lenders

The Company has consistent track record of payment of dividend for past several years. The Company is regular in payment of interest and repayment of credit facilities availed from Banks and Financial Institutions & Bondholders of the Company. The track record has enabled the Company to obtain better credit ratings from the Credit Rating Agencies. This enables smooth raising of funds from investors. The Company believes that it enjoys good reputation, goodwill and standing in the financial markets. The Company has formulated a Dividend Distribution Policy which is available on the website of the Company at www.srei.com. The said Policy encapsulates inter alia, the parameters for declaration of dividend, utilization of retained earnings, procedure for dividend declaration etc.

3. Society

The Company works towards creation of value for the society in a manner which is sustainable, scalable and replicable. As a part of Corporate Social Responsibility (CSR), the Company is actively engaged in deliberating and practicing humble service to Humanity on a sustainable basis. The Company perceives CSR as a strategic social investment aimed at uplifting the society at large, empowering individuals, making them self-reliant. The CSR philosophy is embedded in its

commitment to all stakeholders namely consumers, employees, environment and society while the Company's approach extends both to external community as well as to the Company's large and diverse internal employee base and their families. The Company has formulated a CSR Policy which is available on the website of the Company at www.srei.com. The said Policy encapsulates inter alia, the Company's CSR Vision and Mission, approach to CSR, CSR thrust areas etc. For further details, please refer to the Annual Report of the Company for the financial year 2016–17.

Principle 5: Businesses should respect and promote human rights

As a good corporate citizen, the Company respects the human rights of those who it engages with. The Company pays fair wages to its employees and does not discriminate between male and female employees. They are treated equally with dignity and are given equal opportunities, rights and benefits. The Company complies and adheres to all the human rights laws and guidelines.

The Company has developed a Human Resource Manual (HR Manual) titled "Srei Niti" which encompasses the Company's core values such as Customer partnership, Respect for people, Integrity, Stakeholder's value enhancement, Professional entrepreneurship & Passion for excellence and aims to provide employees with information on HR policies, practices, and operating procedures that will be applicable in the Organization. The same is available on the Intranet of the Company.

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

The Company has formulated an Environmental & Social Management System (ESMS) which reduces the business risk of its portfolio related to E&S issues and enables adherence to sustainable finance practices. The Company continues to create awareness about environment protection. The Company is continuously making appeal to its shareholders to participate in the 'Green initiative' to reduce use of paper by converting their holding of physical shares into electronic shareholding by dematerialization, receiving soft copies of annual reports using internet facilities, receiving dividend by direct credit to their bank accounts instead of physical dividend warrants etc.

The Company also spreads awareness about conservation and optimum utilization of resources across all levels of the organization as well as in all branch offices spread across the Country. As a part of Green initiative for paperless office, the Company uses electronic methods of communication within and outside its offices and avoids use of paper as far as possible to contribute to green environment as much as possible.

For payment of Interest, dividend, maturity amount of debentures etc. as far as possible, the Company use methods of electronic remittances such as NACH, NEFT, RTGS which also ensures faster credit of money to the bank accounts of the investors, avoids use of paper for dividend warrants, interest warrants, cheques. Our objective is to achieve highest level of paperless office by adopting practices, methods and modern techniques in our internal and external communication with all stakeholders.

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

The Company takes up the issues and matters impacting its business segments and gives suggestions in respect of the proposals of the regulatory and government bodies directly as well as through

Chambers of Commerce and Industry associations such as Finance Industry Development Council (FIDC), Confederation of Indian Industries (CII), Associated Chambers of Commerce & Industry of India (ASSOCHAM) and Federation of Indian Chambers of Commerce and Industry (FICCI).

Principle 8: Businesses should support inclusive growth and equitable development

The Company understands the impact of its businesses on social and economic development and responds through appropriate action to minimize the negative impacts. The Company also makes efforts to complement and support the development priorities at local and national levels. The Company aims at financing business and/or projects in the regions that are underdeveloped and would be sensitive to local concerns. The Company accordingly, promotes the ‘financial inclusion’ which is the focus point of all welfare initiatives of the Government.

The Company has formulated a CSR Policy which is available on the website of the Company at www.srei.com. Please refer the Annual Report of the Company for the Financial Year 2016–17 containing details of Company’s CSR activities undertaken for the benefit of financially weaker and vulnerable sections of the society.

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

The Company has track record of loyal customers who have achieved advancement, progress, growth of their business through long term relationship with us. The Company strives hard to provide best possible services to its customers. The Company has effectively implemented the Fair Practices Code for redressal of customer grievances.

The Company does not restrict the freedom of choice and free competition in any manner while engaging in business activities.

BUSINESS RESPONSIBILITY PARAMETER INDEX

Principle-Wise Performance

Sr. No.	Questions	Whether Complied?
Principle 1		
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?	Yes, it covers the Company and its subsidiaries.
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.	No complaint was received regarding ethical and other matters contained in this principle.
Principle 2		
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	The Company is not engaged in manufacture of any goods. The Company is a Non Banking Financial Institution (Category:

Sr. No.	Questions	Whether Complied?
		<p>Infrastructure Finance Company) engaged primarily in the business of Infrastructure Project Finance.</p> <p>The Company does not finance and/or invest in any project that does not comply with the environmental & social norms and laws of the Country.</p>
2.	<p>For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):</p> <p>a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?</p> <p>b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?</p>	Not Applicable.
3.	<p>Does the Company have procedures in place for sustainable sourcing (including transportation)?</p> <p>a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.</p>	Not Applicable.
4.	<p>Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?</p> <p>a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?</p>	No.
5.	<p>Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.</p>	<p>The Company is not engaged in the manufacture of any goods.</p> <p>The waste generated at its offices is managed as per the waste disposal process. `</p> <p>The Company has procedures in place to dispose of e-waste through authorised e-waste vendors.</p> <p>The Company has normal sewerage system as per plans of Municipality.</p>
Principle 3		
1.	Please indicate the Total number of employees.	187 as on 31st March, 2017.
2.	Please indicate the Total number of employees hired on temporary /contractual/casual basis.	Nil.
3.	Please indicate the Number of permanent women employees.	38.
4.	Please indicate the Number of permanent employees with disabilities	The Company does not specifically track the number of disabled

Sr. No.	Questions	Whether Complied?			
		employees. The Company is an equal opportunity employer and treats all employees at par.			
5.	Do you have an employee association that is recognized by management.	No.			
6.	What percentage of your permanent employees is members 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 year	No. of complaints pending as on end of the financial year
		1	Child labour/forced labour/involuntary labour	-	-
		2	Sexual harassment	-	-
		3	Discriminatory employment	-	-
8.	<p>What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?</p> <p>a. Permanent Employees b. Permanent Women Employees c. Casual/Temporary/Contractual Employees d. Employees with Disabilities</p>	<p>The Company continues to focus on skilling employees with the requisite knowledge and skill through LEaD Srei. The Company has training centres where various training programmes, designed to meet the changing skill requirements of its employees are conducted. These training programmes include orientation sessions for new employees, programmes conducted by various skill-enhancing, role specific functional academies, leadership mentoring programmes and other management development programmes for mid-level and senior executives. In addition to classroom training, e-learning programmes are</p>			

Sr. No.	Questions	Whether Complied?
		<p>also available for employees. The e-learning portal has been customized for employees using Edunxt - the leading Learning Management System from Manipal Global Education Services. Further, with an objective to build in-house talent, an intensive Department and Business specific curriculum is structured to create capability excellence in four areas namely, Work Excellence, Personal Excellence, People Excellence and Business Excellence.</p> <p>In 2017, the Company spent around 735 man-days towards learning and development, 98 man-days towards senior leadership development programmes and 464 man-days towards middle management development programmes, the Company also spent around 207 man-days towards domain related workshop.</p>
Principle 4		
1.	Has the Company mapped its internal and external stakeholders? Yes/No	Yes.
2.	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.	Yes.
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.	Yes. Please refer Para 3 of Principle 4 under Section E of this Report.
Principle 5		
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?	Yes, the policy also extends to our subsidiaries.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaint was received for human rights violation during the reporting period.
Principle 6		
1.	Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures / Suppliers / Contractors / NGOs /others.	The aspects outlined under this Principle are not substantially relevant to the Company given the nature of its business. The Company complies with applicable environmental regulations in respect of its premises and operations. Further, the Company participates in initiatives towards addressing environmental issues. The

Sr. No.	Questions	Whether Complied?
		Company also requires the borrowers of project loans to comply with the applicable environmental standards.
2.	Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	Yes, the Company has Environment policy in place. The Company has taken the green initiative through paperless office, water conservation etc. The offices have been designed such that they are equipped with energy efficient air conditioners. As a part of Green initiative for paperless office, the Company uses electronic methods of communication within and outside our offices and avoids use of paper as far as possible.
3.	Does the Company identify and assess potential environmental risks? Y/N	<p>The Company is aware of the potential environmental risks and participates in initiatives as mentioned above to address the environmental concerns. The Company complies with applicable environmental regulations in respect of its premises and operations. The Company also requires the borrowers of project loans to comply with the applicable environmental standards.</p> <p>Further, every project where the Company invests or finances, a thorough E&S due diligence is followed by the ESMS team based on national E&S rules and IFC – performance standards.</p>
4.	Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Not applicable to the Company as it is not a manufacturing Company.
5.	Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	The Company participates in several initiatives in the area of environment sustainability. The Company invests in clean technology like Wind Power and Hydro Power. Renewable energy portfolio of the Company is about 17% of its total Power sector investment. It is 6.59% of the total Portfolio.
6.	Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	The Company complies with applicable environmental regulations in respect of its premises and operations.

Sr. No.	Questions	Whether Complied?
7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year	Nil.
Principle 7		
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	<p>Yes, the Company is a member of various industry associations. The notable names among those include Confederation of Indian Industry (CII), Federation of Indian Chambers of Commerce & Industry (FICCI), Associated Chambers of Commerce & Industry in India (ASSOCHAM), Indian Chamber of Commerce (ICC), Bengal Chamber of Commerce & Industry (BCCI) and Finance Industry Development Council (FIDC).</p> <p>The Senior management of the Company are members of various committees constituted by government, regulators, chambers and industry bodies.</p>
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)	<p>Yes, the Company uses these platforms to take up sector-specific reforms required in areas of infrastructure and finance. The policy advocacy is done sometimes through sending of representations to the government and regulatory bodies, sometimes through meetings with concerned officials and sometimes through organization of theme-specific conferences and seminars.</p> <p>Further, the Directors and members of senior management participate in various committees/ working groups constituted by the Government of India, the Reserve Bank of India and other regulators from time to time.</p>
Principle 8		
1.	Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes, please refer Para 1 & 2 of Principle 8 under Section E of the Report. The Company through one of its associate company, namely Sahaj e-Village Limited provides rural India's consumers with urban services. Sahaj offers e-governance services, utility services, payments, deposits, insurance, financial services, and a host of e-information and e-learning facilities delivered through

Sr. No.	Questions	Whether Complied?
		dedicated Sahaj Kendras (one for every six villages) operated by Sahaj Mitras, who are self-motivated village-level entrepreneurs. As on 31st March, 2017, there were 65,251 touch points across 22 States with strong presence in Central and East India covering approximately 450 million people constituting 50% of India's rural population.
2.	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	Yes, the projects are undertaken primarily through in-house teams and Srei Foundation, with the assistance of implementation partners wherever required.
3.	Have you done any impact assessment of your initiative?	No.
4.	What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.	<p>The Company has spent Rs. 2.34 Crores during the financial year ended on 31st March, 2017. The CSR activities were carried out along the following thrust areas:</p> <ul style="list-style-type: none"> a. Education and Skills Development. b. Healthcare / Medical facilities. c. Social and Economic Welfare. d. Environmental Sustainability. <p>Appropriate disclosures as prescribed under the Companies Act, 2013 have been made in the Annual Report for the year ended 31st March, 2017.</p>
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.	Yes, the Company actively encourages participation of stakeholders in various programs. This includes both volunteering and proactive participation.
Principle 9		
1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	None.
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)	Not Applicable.
3.	Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	In the ordinary course of Company's business, several customers and borrowers may have disputes with the Company which could result in their filing a civil suit claiming

Sr. No.	Questions	Whether Complied?
		compensation for damages and for enforcing contractual obligation etc., criminal complaint or consumer complaint alleging deficiency of services. The Company always strives to have a cordial relationship with its customers/ borrowers and attempts to have an amicable settlement of the dispute but yet, in some cases it may need to pursue legal resolution of the same.
4.	Did your Company carry out any consumer survey/ consumer satisfaction trends?	No.

For Srei Infrastructure Finance Limited

Sd/-
Shyamalendu Chatterjee
(DIN: 00048249)
Chairman - Business Responsibility Committee