

Annexure J

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A:

GENERAL DISCLOSURE

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Company	L74899DL1971PLC005679
2	Name of the Company	Sheela Foam Limited
3	Year of incorporation	1971
4	Registered office address	604, Ashadeep 9 Hailey Road New Delhi-110001
5	Corporate office address	14, Sector 135, Noida, U.P-201301
6	E-mail ID	investorrelation@sheelafoam.com
7	Telephone	+91 11 22026875
8	Website	http://www.sheelafoam.com/
9	Financial year for which reporting is being done	1st April 2023 to 31st March 2024
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE)
11	Paid-up Capital	INR 54,34,86,705
Name and contact details of the person who may be contacted in case of any queries on the Business Responsibility and Sustainability Report (BRSR)		
12	Name of the Person	Md. Iquebal Ahmad (Company Secretary)
	Telephone	+91 11 23316875-76
	Email address	iquebal.ahmad@sheelafoam.com
Reporting Boundary		
13	Type of Reporting (Standalone / Consolidated)	Disclosures made in this report are on a standalone basis
14	Name of assurance provider	Not Applicable
15	Type of assurances maintained	Not Applicable

II. Product/Services:

16. Details of business activities (Accounting for 90% of the turnover)

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1	Sale of products	Polyurethane Foam, Mattress, Pillow, Cushion and Home Comfort Products, Furniture	99.65%

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

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Polyurethane Foam, Mattress, Pillow, Cushion and Home Comfort Products	31005	99.65%

III. Operations

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

Location	Number of plants	No. of Offices	Total
National	10	1	11
International	-	-	-

19. Markets served by the entity:

a. No. of Locations	Locations	Numbers
	National (No. of States)	28 States (Pan-India)
	International (No. of Countries)	12 (Spain, Dubai, Australia, USA, Saudi Arabia, Bahrain, Nepal, Bangladesh, Mauritius, Sri Lanka, Bhutan, Maldives)
b. What is the contribution of exports as a percentage of the total turnover of the entity?	1%	
c. A brief on type of Customers	Sheela Foam Limited serves a diverse range of customers across various sectors. The customer base includes but is not limited to: Wholesalers, Traders, End Consumers, Institutions, Government Departments, B2B Customers, Online Market Place etc.	

IV. Employees

20. Details as at the end of financial year 2023-24:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a. Employees (including differently abled)						
Employees						
1	Permanent (A)	786	719	91%	67	9%
2	Other than Permanent (B)	64	55	86%	9	14%
3	Total (A+B)	850	774	91%	76	9%
b. Workers (including differently abled):						
Workers						
1	Permanent (E)	1,435	1,367	95%	68	5%
2	Other than Permanent (F)	955	885	93%	70	7%
3	Total (E+F)	2,390	2,252	94%	138	6%
c. Differently abled Employees						
Employees						
1	Permanent	1	1	100%	0	0%
2	Other than Permanent	0	0	0%	0	0%
3	Total	1	1	100%	0	0%
d. Differently abled Workers:						
Workers						
1	Permanent	0	0	0%	0	0%
2	Other than Permanent	0	0	0%	0	0%
3	Total	0	0	0%	0	0%

21. Participation/Inclusion/Representation of women

S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	9	2	22%
2	Key Management Personnel *	7	1	14%

*KMPs definition as per Companies Act, 2013

22. Turnover rate for permanent employees and workers

Category	FY 2023-24			FY 2022-23			FY 2021-22		
	(Turnover rate in current FY)			(Turnover rate in current FY)			(Turnover rate in current FY)		
	Male	Female	Total	Male	Female	Total	Female	Female	Total
Permanent Employees	16%	9%	15%	12%	7.50%	11.65%	11.22%	8.42%	11.02%
Permanent Workers	5%	3%	5%	5.71%	8.40%	5.83%	5.89%	1.61%	5.96%

Note: Both voluntary and involuntary turnover has been considered

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 it is a Holding / Subsidiary / Associate / or 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.	Sleepwell Enterprises Private Limited, India	Wholly owned Subsidiary	100%	No
2.	Staqa World Private Limited, India	Wholly owned Subsidiary	100%	No
3.	Staqa Software Private Limited, India	Wholly owned Subsidiary	100%	No
4.	Joyce Foam Pty, Australia	Wholly owned Subsidiary	100%	No
5.	International Foam Technologies SL, Spain	Wholly owned Subsidiary	100%	No
6.	Kurlon Enterprise Limited, India	Subsidiary	97.43%	No
7.	House of Kieraya Private Limited, India*	Subsidiary	-	No
8.	Rangoli Resorts Private Limited, India	Associate Company	-	No
9.	Sheela Foam Trading LLC, Dubai	Wholly owned Subsidiary	100%	No
10.	Interplasp, SL, Spain	Subsidiary	93.66%	No
11.	Joyce WC NSW PTY Ltd., Australia	Subsidiary	100%	No
12.	Staqa World Kft., Hungry	Subsidiary	100%	No
13.	Staqa Incorporated, USA	Subsidiary	100%	No
14.	Staqa Technologies, LLC, Dubai	Subsidiary	100%	No
15.	Belvedere International Ltd	Subsidiary	100%	No
16.	Kanvas Concepts Private Limited	Subsidiary	100%	No
17.	Kurlon Retail Limited	Subsidiary	100%	No
18.	komfort universe products and services limited	Subsidiary	100%	No
19.	Starship Value Chain Management Private Limited	Subsidiary	100%	No

*Subsidiary due to significant control

VI. CSR Details:
24 Whether CSR is applicable as per the provision of Section 135 of Companies Act, 2013: Yes

Turnover (in INR crore) 1879.52

Net worth (in INR crore) 2674.29

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) If yes, then provide web-link for grievance redress policy	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in current FY)		
		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
Communities	Yes, there is a dedicated email id for the communities to communicate their grievances. grievances@sleepwellfoundation.com	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	Yes, the Investors can write about their grievances to the Compliance Officer of the Company at investorrelations@sheelafoam.com and there is webpage for investor contacts. https://sheelafoam.com/investor-contacts.html	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes, the shareholders can raise their grievances to the Compliance Officer of the Company at investorrelations@sheelafoam.com . Shareholders can also reach out to us at https://sheelafoam.com/investor-contacts.html Additionally, grievances can be raised through the 'SEBI Scores' portal through BSE/NSE websites.	Nil	Nil	NA	Nil	Nil	NA
Employees and workers	Yes, an employee grievance redressal mechanism is in place. Grievances are resolved on a monthly basis through an HR Help Desk.	Nil	Nil	NA	Nil	Nil	NA
Consumers*	Yes. Consumer Complaints are attended at centralized customer care center and are resolved expeditiously. Toll-free number: 18005705700 E-mail id: care@mysleepwell.com	18,073	1,431	NA	35,264	640	NA
Value Chain Partners	Yes. Our value chain partners can contact the procurement team, Quality & Assurance team or Product development team in case of any issue/grievances through the official E-mail ID: contactus@sheelafoam.com	Nil	Nil	NA	Nil	Nil	NA

Note: Consumers include distributors also.

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

We have integrated the ESG risk management into multi-disciplinary company-wide risk management processes i.e., the centralized Enterprise Risk Management (ERM) program. This helps us derive at the quantitative estimates of the inherent financial risks and impacts for which the controls to be kept in place to mitigate the impacts.

S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	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.	Climate Change	Risk	The operations and business of an organization can be directly affected by climate change risk. Climate change can be seen leading to physical environment risks such as water scarcity (direct physical risk), supply chain disruption, and sourcing challenges (indirect physical risk). Additionally, there are regulatory, reputational and market risks associated with the transition to a low-carbon economy. These risks encompass changing consumer preferences, increased product costs, and future government policies and regulations.	<p>The following are various Green House Gas (GHG) emission reduction initiatives undertaken to adapt to and mitigate the climate change risk and transition to a low-carbon products:</p> <ol style="list-style-type: none"> 1. Variable Pressure Foaming (VPF) is the only closed loop slab Polyurethane foaming process available today. While it helps in manufacture of products that are differentiated as well as uses less chemicals and zero physical blowing agent in manufacturing leading to low-carbon economy. The role of the physical blowing agent is done by Vacuum. While predominantly the process emission is only carbon-dioxide any trace volatile organics are also extracted by the activated charcoal that is part of the closed loop equipment. It is the most sustainable next generation foam processing technique. The Company is invested deeply with second equipment expected to be fully operational in India. Overseas operations in Spain and Australia are also capitalizing on this technology. 2. SFL's main consumption consists of Polyol, Polymer polyol, and Isocyanate in large quantities. We aim at bulk shipment and storage, aiming to minimize transportation impact and minimize excessive packaging. 3. Introducing block compression for interunit transfers and utilizing Bed in a Box (BIAB) when feasible will optimize space utilization, enhance delivery efficiency, and decrease the carbon footprint. 4. Product innovation: Introduction of Neemfresche foams from sustainable coconut plantations which has no adverse impact on environment. 5. Climate change trainings provided as a part of the overall ESG training module where the coverage extended to both employee population and value chain partners. 	Initiatives and endeavors aimed at mitigating climate change risks may result in additional costs in the short to medium term. However, these costs can be partially offset by long-term efficiency improvements. Moreover, these initiatives enhance business resilience and safeguard long-term value.

S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	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)
2.	Energy Management	Opportunity	Energy management presents a strategic opportunity for a company like ours to reduce costs, enhance competitiveness, comply with regulations, improve reputation, drive innovation, and foster collaborations in the pursuit of sustainable and efficient operations.	<ol style="list-style-type: none"> 1. Through Successful implementation of energy management programs thereby fostering a culture of energy performance improvement. We track the energy performance through various KPIs such as energy consumption, energy intensity, evaluation of progress towards energy targets etc. The company's objective is to decrease reliance on power supplied by the Electricity Board by transitioning to green energy - solar energy. Several units have already been successfully converted to solar energy. 2. Investments made to achieve energy efficiency through the following initiatives: <ol style="list-style-type: none"> a. SFL has installed energy efficient fixtures at all manufacturing plants as well as corporate office. b. We have replaced diesel gen-sets with PNG (Piped Natural Gas) in the NCR region, using retrofitted devices. The remaining units will undergo assessment to determine the feasibility of accessing PNG supply from the government. c. Newer plants like Surajpur and Maneri (Jabalpur) are equipped with solar streetlights saving electricity consumption. 3. Energy efficiency trainings provided as a part of the overall ESG training module where the coverage extended to both employee population and value chain partners. 	Implementing effective energy management practices can help reduce energy consumption and lower operational costs and optimizes equipment performance. Further, this also helps us be better prepared for future environmental regulations.
3.	Human Rights	Risk	Adverse financial and reputational consequences may arise from instances of human rights violation or failure to comply with statutory norms.	<ol style="list-style-type: none"> 1. SFL has a dedicated human rights policy in line in with the UN Guiding Principles, which has been implemented on shopfloor and corporate office (both permanent and contractual employees and workers) and also applies to our value chain partners. 2. The company is committed to cultivate a culture of zero tolerance towards human rights violations. The long existing policies and procedures including Non-Discriminations Policy, Code of Business Conduct, Whistle Blower Policy, Policy of SFL towards Society and POSH policy have been reinforced with the comprehensive Human Rights Policy and Diversity Equity and Inclusion Policy. 3. Detailed training programs are in place to prevent human rights violations. Measures are in place to prevent workforce discrimination and sexual harassment, and to ensure a free and fair working environment for employees. 4. Human rights assessment for identifying potential human rights issues and a due diligence process verifying the occurrence and impact of these issues is underway. 5. Robust grievance redressal mechanisms are in place to prevent workforce discrimination, sexual harassment, and ensure a free and fair working environment for employees 	Human rights violations and regulatory non-compliance can cause reputation and financial implications

S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	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.	Waste Management	Opportunity	By embracing waste management as an opportunity, we can reduce costs, enhance sustainability, comply with regulations, drive innovation, and contribute to a more circular economy. This not only benefits the company's bottom line but also strengthens its reputation and position in the market.	<p>We have implemented the following waste management programs:</p> <ol style="list-style-type: none"> 1. Innovation: The company has adapted sustainable packaging material, such as BOPP-PE to PE (Polyethylene), which increases the recyclability of the product, making it less hazardous to the environment. Additionally, the company has successfully implemented a comprehensive recycling program for polyethylene and plastic materials used in product packaging, aiming to achieve 100% recycling rates. 2. The company is committed to a paperless mission to conserve paper, trees, and water resources. Significant progress has already been made by digitizing invoices, packing lists, planning documents, and gate records. The next phase involves establishing a paperless shop floor and eventually transitioning the entire organization into a paperless environment. 3. Quantifiable targets: We aim to reduce waste generated by 3-5% every year 	While there is increased cost of developing sustainable packaging alternatives but in the long run, the recycling and sustainable ways of packaging will be beneficial to the organization.
5.	Human Capital Development	Opportunity	The success of the Company's operations relies on the ongoing dedication, skills, and expertise of its corporate and divisional executive teams, as well as other highly qualified employees who possess extensive knowledge in business, technology, and operations. The market for skilled professionals is highly competitive, and there is no guarantee that the Company will be able to retain these employees or recruit and train suitable replacements without incurring significant costs or experiencing delays.	<ol style="list-style-type: none"> 1. Investing in training and development programs 2. Offering equal opportunities for growth and development demonstrates our commitment to our employee's professional growth without any biases towards employee groups. 3. Building a robust talent pipeline across responsibility levels through requisite quality in key roles. 4. Maintaining the wages more than minimum wage as per applicable code. 5. The company tries to maintain an employee friendly work environment. 	Human Capital Development can improve the skills and knowledge of employees. This can lead to increased productivity, improved product quality, and operational efficiency within the company.
6.	Occupational Health & Safety	Risk	Poor occupational health and safety (OHS) performance has a direct negative impact on labor costs through lower productivity. Moreover, it can also affect SFL's reputation, impact staff morale or increase operating costs through fines and other contingent liabilities.	<ol style="list-style-type: none"> 1. The company has promulgated a clear Occupational Health and Safety (OHS) Policy communicated through regular safety training sessions for its employees. 2. Comprehensive training on safety procedures, compliance regulations, and ethical practices fosters a secure work environment, reduces accidents, and ensures adherence to regulatory requirements. 3. All employees at the manufacturing plants are equipped with necessary safety gear. 4. Stringent safety audits are regularly conducted and reinforced through an extensive CCTV camera network across all units to ensure adherence to the health and safety precautions. 5. The Company has established an On-site Emergency Control Plan, incorporating government authorities and neighboring industries, which is rehearsed through bi-annual mock drills. 	Non-adherence to the health and safety protocols can impact on health and well-being of employees at the Company and result in financial loss.

S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	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)
7.	Product Quality & Safety	Risk	Product Quality and Safety risk can lead to product recalls, legal repercussions, and affect Company's reputation. It is crucial for us to not only maintain our own adherence to high standards but also ensure that our suppliers and partners uphold similar quality and safety practices.	<ol style="list-style-type: none"> 1. SFL guarantees compliance with Restriction of Hazardous Substances (RoHS) and REACH regulations, ensuring that all produced foams meet the required standards without the utilization of restricted or harmful chemicals. 2. The company has incorporated NeemFresche technology, sourced from sustainable coconut plantations. This innovative solution physically eliminates pathogens and maintains long-lasting effectiveness. Unlike other protectants, NeemFresche forms durable bonds with cellular structures, ensuring continued protection even with prolonged use and frequent washes. 3. Moreover, NeemFresche has no adverse environmental impact, making it safe for use without any leaching into the air, soil, or water. 	Enhancing product quality always provide an enhancement to brand presence and reputation.
8.	Water Management	Opportunity	Manufacturing of Foam is not a Water intensive process, water is used only for the chemical mixing in production line and also used for domestic purposes.	<ol style="list-style-type: none"> 1. We have installed STP's (Sewage Treatment Plants) at all manufacturing plants and corporate office through which domestic wastewater is treated and used backed in activities like Gardening and toilet flushing. 2. We have installed water saving fixtures like waterless urinals and flow fixtures at our corporate offices and is planned to be extended to manufacturing units. 3. Construction of Rainwater harvesting pits for recharging ground water table is in plan to be extended to manufacturing plants. 	Use of recycled water and low flow water fixtures results into lesser freshwater withdrawal through ground and third-party tankers, hence benefiting financially to the company.
9.	Corporate Governance & Ethics	Risk	Adverse Financial and Reputational risks may arise due to unethical Business conduct and non-compliance to regulatory requirements.	<ol style="list-style-type: none"> 1. SFL has a strong governance mechanism to cater to all the regulatory requirements from local and national government. 2. We have a dedicated business code of conduct policy which is applicable to all employees for ethical business conduct. 	Ethical business practices and compliance to regulatory requirements will prevent non-compliances and potential regulatory fines from the government.
10.	Innovation and R&D	Opportunity	Innovation and R&D is an integral part of business as it creates and opportunity for SFL to expand its business in different directions. Innovation and R&D can contribute to bringing up new processes and technologies in foam productions industry.	<ol style="list-style-type: none"> 1. SFL has identified various opportunities to expand its business within foam industry for which Innovation and R&D is in progress. 2. There are various projects SFL has undertaken in collaboration with external stakeholders to improve the efficiency of existing process and to establish a new product market in foam manufacturing industry 3. Some of the key innovations include use of VPF technology, Neemfresche technology, Vetiver inputs from production, development of specialized foam for medical usage etc. 	Innovation and R&D will lead to financial benefits to the company by optimizing the existing manufacturing process and exploring new products lines in foam market to increase the overall revenue of the company.
11.	Transparency & Reporting	Risk	Failure in regulatory reporting and disclosures will lead to lack of transparency to the internal as well as external stakeholders will spoil the reputation of the company and also leads to loss of trust towards its Investors and consumers.	<ol style="list-style-type: none"> 1. SFL ensures timely regulatory reporting and disclosure of all the necessary details to its internal and external stakeholders through company website and annual reports. 	Timely reporting and transparency will maintain the trust of investors, consumers, and government authorities in the company, leading to a positive financial impact by avoiding potential regulatory fines.

S. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	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)
12.	Consumer Relationship management	Risk	Consumer Relationship management is vital for SFL business where the company takes feedback from consumers to improve the product quality sold by the company. Improper consumer feedback management may lead to decline in SFL's business and can affect the reputation of the company	1. SFL has a dedicated mechanism to collect consumer feedbacks and work on it to improve company's products and services.	The dedicated help line mechanism/channel for collecting feedback from the consumers will increase consumer's trust in the company's product and services which in turn provides financial benefits to the company.
13.	Product Stewardship	Opportunity	Product Stewardship is an important part of product design and manufacturing to minimize the product's environmental impact throughout all stages.	1. SFL has invested in Capex to install VPF technology and installation of scrubbers at the gas vents to minimize the environmental Impact while manufacturing the product. 2. SFL is also carrying out initiatives like procurement of biodegradable plastics to be used as packaging material and use of eco-friendly raw material which will act as a filler material in foam mattress.	The process and concept of product stewardship will help the company become more environmentally responsible, improving its reputation and generating long-term revenue.
14.	Corporate Social Responsibility	Opportunity	Corporate Social Responsibility is an opportunity to the company as it provides a competitive advantage for the business to engage community and through its various workshops and initiatives.	1. SFL performs all its CSR activities under Sleepwell Foundation, it majorly focuses on community engagement through various skill development programs and emotional wellness programs etc. 2. SFL also collaborates with schools and students by providing them with study tables and chairs.	These initiatives will help SFL in standing out from its competition and it also improves the brand image of the company which in turn will increase the revenue of the company.
15.	Responsible Supply Chain Management.	Opportunity	Responsible Supply chain management is an opportunity where SFL can get a competitive advantage through sustainable supply chain and also in turn reduce their Scope 3 emissions	1. SFL has taken initiative on compressed foam packaging method to transport finished goods to avoid excessive Carbon dioxide emission. 2. SFL has dedicated Supplier code of conduct and sustainable procurement policy to source raw & packing material in a sustainable manner. 3. We assess our suppliers on ESG aspects also while onboarding as it is important to make our supply chain more sustainable. 4. Additionally, SFL has implemented a compressed foam packaging method, allowing more goods to be transported in less space and which in turn helps in reducing GHG emissions in our supply chain.	Initiatives on responsible supply chain management provides a competitive edge to the company which builds trust in its investors and consumers, hence increasing the revenue of the company.
16.	Diversity & Inclusion	Opportunity	Diversity is a vital part of business as it provides more employment opportunities to employees and makes the organization with a healthy work environment.	1. SFL provides a diverse and inclusive workplace which promotes creativity, diversity, inclusivity, and enhanced work culture.	Increase in diversity will help increase the trust of internal and external stakeholders in the company which will benefit the business and provides financial stability.

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		P1	P2	P3	P4	P5	P6	P7	P9	P9
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	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	Our policies are readily available at https://sheelafoam.com/investor.html , while additional internal policies are securely stored on the Company's intranet. These internal policies are accessible to relevant stakeholders, ensuring transparency and compliance across the organization.								
2	Whether the entity has translated the policy into procedures. (Yes / No)	The company has diligently translated its policies to ensure inclusivity and accessibility, aligning with its commitment to diversity and compliance. These translated policies have been seamlessly integrated into the company's operations, enriching its processes and procedures with the necessary guidelines and standards. This effort underscores the company's dedication to fostering a cohesive and compliant environment across all facets of its operations.								
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. This year the Company has promulgated a Supplier's / Vendor's Code of Conduct covering the NGRBC principles, and the Company expects its suppliers/vendors to follow the same.								
4	Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001, ISO 27001, ISO 20000-1, IATF 16949, LEED Certificate for corporate office, SEDEX, BIS Product Certification License IS 7953: 1975, Great Place to Work								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	SFL's goal is to reduce our carbon footprint to 50% of existing levels by 2030. The targets set by SFL are as follows: <ol style="list-style-type: none"> Increase usage of solar energy by 1 MW each year for the next 5 years. Reduce Waste Generated by 3 to 5 % every year. Plant 4000 trees every year for the next 5 years. SFL also aims to increase water recycling and practice rainwater harvesting solutions wherever feasible.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	We constantly monitor the performance towards ESG Goals and take adequate actions wherever required. We have a robust governance mechanism to monitor the progress of these goals. The progress achieved against above goals will be reflected in our annual reports. The Company has acquired Kurlon Enterprises Limited during the reporting year and amalgamated wholly owned subsidiary ICTPL into the parent company. The performance will be measured against new baselines. Last year the company has doubled the usage of renewable energy. The energy intensity was sustained to 0.12 MtCO2 per Mt of Foam produced. The waste generation intensity was 0.03 MT of waste generated per MT of Foam production. The consumption of water reduced from 1.23 to 1.07 KL per MT of foam production. In this year, the company has also replaced diesel gen-sets with PNG (Piped Natural Gas) in the NCR region, using retrofitted devices.								

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P9	P9
Governance, Leadership and Oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Mr. Tushaar Gautam (Managing Director) Sheela Foam Limited is committed to nurturing new green ideas, fostering a happier and healthier workplace, empowering weaker sections of the society and continually striving to reduce its carbon footprint in line with the national and global climate preservation targets. In keeping with the times, the company has adopted greener and cleaner technologies like Variable Pressure Foaming that eliminates use of potentially hazardous chemicals and use of recyclable Polyethylene packaging in place of the non-recyclable PVC. Over the past few years, we have optimized raw material usage and increased use of green energy. We have received recognition as the "Best Place to Work" continuously for many years. We have constantly met the quality and environmental standards demanded by our clients across the globe. We will continue to pursue an increase in the use of green energy and reduce waste further. As a market leader in the foam and foam products business in India, the company is acutely conscious of its added responsibility of spearheading the R&D efforts of the industry to tackle greening challenges and pioneering innovations that help to reduce, reuse & recycle.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Tushaar Gautam, Managing Director								
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.	Yes. The 'Risk Management and ESG committee' at the Board level is responsible for decision making on sustainability related issues. The Risk management and ESG committee comprises of 5 members. Mr. Vijay Kumar Ahluwalia: Chairperson Mr. Som Mittal: Member Mr. Rakesh Chahar: Member Mr. Tushaar Gautam: Member Mr. Harneet Kochar: ESG controller								

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)																	
		P1	P2	P3	P4	P5	P6	P7	P8	P9									
Performance against above policies and follow up action	Policies, wherever stated, have been approved by the Board / functional heads. Polices are reviewed as and when required to accommodate relevant feedback from our stakeholders and any new laws and regulations.																		
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all statutory laws and regulations as applicable. Further, compliance monitoring is done regularly as per statutory requirements along with periodical audit committee review on a quarterly basis.																		

		P1	P2	P3	P4	P5	P6	P7	P9	P9
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	No, however, the Managing Director, in conjunction with the Board, oversees the implementation of policies. These policies undergo regular review, either in accordance with statutory mandates or as deemed necessary based on organizational needs.								

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

Not applicable since the policies and procedures of the Company cover all principles of NGRBCs

SECTION C:
PRINCIPLE WISE PERFORMANCE DISCLOSURE

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	Percentage of persons in respective category covered by the awareness programmes
Board of Directors Key Management Personnel	7	An insightful outlook on the Mattress and Foam Industry and the home comfort sector, coupled with comprehensive ESG (Environmental, Social, and Governance) risk awareness training. Offered updates and raising awareness regarding governance and regulatory compliance requirements. Additionally, updates on finance, information technology, and the seamless integration of SFL & KEL, among other crucial facets.	100%
Employees other than BODs and KMPs	17	PFMEA (Process Failure Mode effect Analysis), IATF, Certified Auditor Training for IATF, MSA (Measurement System analysis), SPC (Statistical Process Control), APQP (Advance Product Quality Planning) & PPAP, ESG Workshops.	63%
Workers	7 13	Human rights, POSH and Cybersecurity First Aid, Electrical safety, Safety & Health, Incident Minimization, Traffic Awareness, Gastric diseases, medical Policy, 5S, Kaizen and Waste Identification, Human rights, POSH and Cybersecurity	100% 100%

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.

a. Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					

b. non-Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment					
Punishment			Nil		

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
Not applicable	Not Applicable

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, Sheela Foam Limited has an anti-corruption and bribery policy as a part of our internal general policies. It is our policy to conduct all of our businesses in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption. We are committed to act professionally, fairly and with integrity in all our relationships and business dealings wherever we operate. We are also committed to implement and enforce effective systems to counter bribery. Some of our codes / policies are available at https://sheelafoam.com/pdf/investor/Anti_Corruption_Policy.pdf Other internal policies are placed on the intranet of the Company and are open to access by the pertinent stakeholders.

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

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

Topic	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of KMPs				

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)

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payable	52	54

9. Openness 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 format provided

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	5.50%	6%
	b. Number of trading houses where purchases are made from	5	5
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%

Parameter	Metrics	FY 2023-24	FY 2022-23
		(Current Financial Year)	(Previous Financial Year)
Concentration of Sales	a. Sales to dealers/ distributors as a % of total sales	59%	46%
	b. Number of dealers/ distributors to whom sales are made	113	110
	c. Sales to top 10 dealers/ distributors as a % of total sales to dealers/ distributors	18%	14%
Share of RPT's in	a. Purchases (Purchases with related parties/ Total purchases)	2.3%	1.2%
	b. Sales (Sales with related parties/ Total Sales)	2.2%	0.3%
	a. Loans & Advances (Loans & Advances given to related parties/ Total loans & advances)	0.0%	0.0%
	a. Investments (Investments in related parties/ Total Investments made)	76.97%	0.0%

LEADERSHIP INDICATORS

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

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in value chain covered by the awareness programmes
2	ESG overview covering topics such as environmental compliance, safety compliance, human rights, legal and corporate governance	*6.7%

*Note: percentage of persons in value chain covered by the awareness programs is calculated by considering their percentage spent.

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 Code of Conduct for Board of Directors and senior management personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. It states below: The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall not enter into any transaction which is or may likely to have a conflict with the interest of the Company and shall not engage any of its relative(s), or any other person or entity, for the purposes of circumventing the personal interest involved. The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall not take up any position or engagement that may be prejudicial to the interest of the Company. The Executive Director(s), Key Managerial Personnel and the Senior Management Personnel shall not take up any outside Employment.

The Code of Conduct can be accessed at: <https://sheelafoam.com/investor.html>

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.

Type	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D)	140 lacs	~Rs. 73.7 lacs	<ul style="list-style-type: none"> • Designing of product for Indian Railways involving special feature of complying with human safety in case of any fire incidents. This is achieved while complying with certain standards defined for the usage in the Railways. This product restricts the emissions during fire within the limits which are allowed for human exposure and allow them to escape safely. • Development of various products using more environmentally friendly catalysts that helps in reduced toxicity levels as well. • Use of Vetivers as a raw material for foam production after processing. • Trials on New Foam production with anti-bacterial properties for medical usage.
Capital Expenditure (CAPEX)	Rs 3.46 lacs	~Rs. 108.9 lacs	<ul style="list-style-type: none"> • Lab instruments purchased for testing and R&D work. • Purchase of chemicals for trial purposes.

Note: As a leading foam manufacturing company we are committed to minimizing negative impacts on environment and social aspects through R&D, innovation and capex. Hence, most of the Company's Expenses towards R&D projects directly or indirectly contribute towards reducing its negative impact towards Environment and social sector.

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

Yes, the organization has a sustainable sourcing policy, we carefully select and onboard vendors with robust infrastructure and good manufacturing practices through a supplier assessment checklist when onboarding new vendors and an annual assessment. We strive to enhance vendor infrastructure by implementing solventless lamination in packaging, using compliant granules and inks, maintaining machines and Effluent Treatment Plants effectively, minimizing color dyeing in fabrics, and sourcing foaming inputs from reputable industry leaders. We also aim at eliminating/ minimizing restricted raw materials from products.

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

The company has its sustainable sourcing policy through which it promotes sustainability at supplier end. As a responsible and leading foam manufacturer the company sources ~70% of its raw and packaging material through sustainable sourcing.

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.

- (a) Plastics (including packaging): As a brand owner, we ensure that the plastic waste produced during our manufacturing process (including packaging) is recycled through a government-registered vendor.
- (b) E-waste: We dispose of e-waste materials exclusively through authorized e-waste vendors.
- (c) Hazardous waste: We primarily procure TDI in bulk via tanker, with occasional procurement in drums. Due to the presence of TDI residues in the drums, we take special care to sell them exclusively to government-authorized agencies for recycling.
- (d) Other waste: Wastepaper generated during production and from our units is sold to authorized vendors who repurpose it in manufacturing molded paper products like plates and bowls. Additionally, waste foam (offcuts/ trims) from production is sold to recycling processors for

use in producing rebonded foam. We segregate all waste and store it separately for proper disposal. Non-hazardous waste is sold only to local scrap dealers.

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.

Yes, EPR is applicable to the company and a EPR plan is available in place for waste collection. SFL in collaboration with Indian Pollution Control Association has collected and recycled 508.135 MT of plastic waste to ensure EPR compliance. As a leading manufacturer in the foam industry, it is important that we ensure the safe disposal of pre-consumer and post-consumer packaging.

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?

No

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.

Environmental and Social impacts of our products have not been assessed through LCA. There is however, no social impact. Environmental impacts are internally assessed and addressed by taking various environmentally friendly initiatives.

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 2023-24	FY 2022-23
	(Current Financial Year)	(Previous Financial Year)
Recycled Fiber Pillows	100%	100%
Re-bonded Foam	91%	91%

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

	FY 2023-24			FY 2022-23		
	(Turnover rate in current FY)			(Turnover rate in current FY)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	The Company disposes its wastes through authorized vendors and recyclers, ensuring that no waste is disposed in landfills. The company has disposed 508.13MT of Plastic waste authorized recycler to ensure EPR compliance.					
E-waste						
Hazardous waste						
Other waste						

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
Nil	Nil

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	Total (A)	Health & Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities*	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent									
Male	719	719	100%	-	-	Nil	Nil	Nil	Nil
Female	67	67	100%	67	100%	Nil	Nil	Nil	Nil
Total	786	786	100%	67	100%	Nil	Nil	Nil	Nil
Other than Permanent (Contractual)									
Male	55	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	9	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	64	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

*Note - The Company is in compliance with the Maternity Benefit (Amendment) Act, 2017

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

Category	Total (A)	Health & Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities*	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent									
Male	1367	1367	100%	-	-	-	-	Nil	Nil
Female	68	68	100%	68	100%	-	-	Nil	Nil
Total	1435	1435	100%	68	100%	-	-	Nil	Nil
Other than Permanent (Contractual)									
Male	885	885	100%	-	-	-	-	-	-
Female	70	70	100%	70	100%	-	-	-	-
Total	955	955	100%	70	100%	-	-	-	-

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

Parameter	FY 2023-24	FY 2022-23
	(Current Financial Year)	(Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	10%	8.2%

2. Details of retirement benefits, for Current FY and Previous Financial Year:

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

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.

We understand the importance of meeting the requirements of the Rights of Persons with Disabilities Act, 2016. Our company has implemented various measures like Wheelchairs, ramps etc. to provide accessible infrastructure at corporate office and plants to support differently abled employees and worker.

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.

Yes, the Company has an Equal Opportunity Policy as part of internal HR policies (Anti-Discrimination Policy). It states as following: Sheela Foam is an "equal opportunity employer."Sheela Foam will not discriminate and will take "affirmative action" measures to ensure against discrimination in employment, recruitment, advertisements for employment, compensation, termination, upgrading, promotions, and other conditions of employment against any employee or job applicant on the bases of race, creed, color, national origin, or gender. Internal policies are accessible on the intranet to the pertinent stakeholders.

https://sheelafoam.com/pdf/investor/Anti_Discrimination_Policy.pdf

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

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

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	The company has an Employees Grievance Redressal Policy in place internally available to all employees and workers. An employee may face any problem or has concern about his/her work, working environment, or working relationships that he/she wish to raise with someone in the organization. The Company encourages free communication between the employee and the Supervisor / Manager / Head of Function to ensure such problems and concerns can be resolved in the quickest and fairest possible way and at the lowest possible level within the organization. The mechanism has 3 stages of escalation and grievance raised is treated in the strictest of confidence.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in current FY)		
	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)
Permanent Employees						
Male	Nil			Nil		
Female						
Others						
Total						
Permanent Workers						
Male	Nil			Nil		
Female						
Others						
Total						

8. Details of training given to employees and workers:

	FY 2023-24 (Current FY)					FY 2022-23 (Previous FY)				
	Total (A)	On Health & Safety measures		On Skill Upgradation		Total (D)	On Health & Safety measures		On Skill Upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	719	719	100%	719	100%	612	612	85%	612	100%
Female	67	67	100%	67	100%	54	54	81%	54	100%
Total	786	786	100%	786	100%	666	666	85%	666	100%
Workers										
Male	1367	1367	100%	1367	100%	1197	1197	88%	1197	100%
Female	68	68	100%	68	100%	59	59	87%	59	100%
Total	1,435	1,435	100%	1,435	100%	1,256	1,256	88%	1,256	100%

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

Category	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in current FY)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	% (D/C)
Employees						
Male	719	719	100%	612	612	100%
Female	67	67	100%	54	54	100%
Total	786	786	100%	666	666	100%
Workers						
Male	1367	1367	100%	1197	1197	100%
Female	68	68	100%	59	59	100%
Total	1435	1435	100%	1256	1256	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes
a.1 What is the coverage of such system?	All employees and workers Work related hazards are identified through internal safety audits, check lists, SOPs, work permit system, regular committee meetings, capturing and resolving the unsafe observations by the employees. Safety audits and risk assessments are also done by external auditors. HAZOP study and risk assessment of the plant is also conducted
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes. There are safety committees wherein workers participation is ensured.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes. Non-occupational medical and healthcare services exist for all category of employees.

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

Safety Incident/Number	Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	1	3
	Workers	48	52
No. of fatalities	Employees	0	0
	Workers	1	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NA	NA
	Workers	NA	NA

Note: There were no Lost Time Injuries occurred at the manufacturing plants during FY 23-24.

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

To ensure a safe and healthy workplace, daily safety talks before the start of the routine activities are conducted. 'Toolbox Talk' on various safety topics of daily importance is organized by Shop Engineers / Shift In-charge to sensitize workers about workplace safety. Unit wise fire safety members called as 'crew team members' are aligned along with fire extinguisher attached to them. There is more than required stored water for fire prevention. We conduct regular trainings on good health and safety practices as well.

Safety audits are conducted regularly to ensure everything is in compliance. There is full compliance of OS&H (Occupational Safety and Health) and related applicable legal requirements and other requirements.

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

Topic	FY 2023-24 (Current FY)			FY 2022-23 (Previous FY)		
	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	NA	-	0	NA	-
Health & Safety	0	NA	-	0	NA	-

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

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.

Near misses are reported. To prevent the recurrence, corrective actions are carried out.

1. Wheel chokes were applied to arrest accidental movement of the chemical tankers.
2. Pipeline Color Codes followed by SFL displayed at vital places to know what contents are being carried across the pipelines.
3. Toe Board / Toe Guard provided on the first floor of process area to prevent fall of tool/material inadvertently.
4. Installation Fall arrestors and lifelines to protect workers from fall from height hazards.
5. Building a safety culture on shopfloor through competitions and various safety events like National safety week, Road safety day etc.

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).

Yes, for all permanent employees.

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

The Company is compliant with deduction of statutory dues of employees towards income tax, provident fund, ESIC etc. as applicable from time to time. Value chain partners (vendors, distributors) are also encouraged to comply as per the business agreements with the Company.

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

Category	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 2023-24 (Current FY)	FY 2022-23 (Previous FY)	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Employees	0	NIL	0	NIL
Workers	1	NIL	1	NIL

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).

Yes. The Company provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	46%
Working Conditions	

Note: Only suppliers are accounted in the calculation of the %age of value chain partners assessed on health & safety and working conditions.

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:

SFL has mapped its internal and external stakeholders and based on the valuation provided in the value chain and relevance for the organization, the major/ key categories include:

- Investors
- Shareholders
- Employees
- Customers
- Community organizations/ NGOs
- Vendors / Suppliers / Contractors of goods and services
- Distributors & dealers
- Government & Regulatory Authority

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 & Marginalized 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
Shareholder	No	Website, Shareholder Meetings, Email, Central Telephone Number, Notice, Newspaper	Quarterly	<ul style="list-style-type: none"> Awareness (Q&A) session on performance and results of the company Annual General Meeting
Investor	No	Email, Website, SMS, Newspaper, Notice, Virtual and Physical Meetings, Stock Exchange	Regularly	<ol style="list-style-type: none"> Financial Results Business Outlook Annual General Meeting Key Risks Resolve queries received from investors.
Employees	No	ERP, Email, SMS, Telephone, Virtual calls, In-person meetings, internal events, Townhall Meetings.	As and when required	<ol style="list-style-type: none"> Relevant business communications Career, learning and growth HR Policies & Practices, health and safety, skill upgradation Grievances and remunerations
Customers	No	Stores, Experience, Advertising, Newspaper, pamphlets, Hoarding/banner, SMS, website, phone	As and when required	<ol style="list-style-type: none"> Brand Awareness Offers New Product Developments Addressing Customer Queries and Grievances Feedback on Products and services
Community organizations / NGOs	Yes	Need assessments for CSR projects through surveys and focused group discussions	As and when required	<ul style="list-style-type: none"> Assessment of community needs Selection of new projects based on needs Monitoring and evaluation of on-going projects
Vendors / Suppliers / Contractors of goods and services	No	Physical meetings, Emails, Telephone	Frequent and as may be required	<ul style="list-style-type: none"> New business opportunities Query Resolution & Grievance Redressal. Supplier performance assessment. Addressing non-compliance issues Signing / breach of contract.
Distributors and dealers	No	Physical meetings, Emails, Telephone, conferences	Frequent and as may be required	<ul style="list-style-type: none"> Query Resolution & Grievance Redressal. Distributor's performance assessment. Addressing non-compliance issues.
Business Partners (Suppliers, Dealers/ Distributors/ etc.)	No	Emails, Dealer Meets, Telephone, Physical Meetings, Conferences	As and when required	<ol style="list-style-type: none"> Sales and Marketing Plans Distributors performance assessment Addressing non-compliance issue Supply Chain Quality
Government and regulatory authorities	No	Written communications, Presentations, Industry associations, websites, advertisements	Frequent and as may be required	<ol style="list-style-type: none"> Compliance with National and Local regulations Permissions/ Approvals on various regulatory requirements Seeking clarifications and relaxations Communicating Challenges

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 Company has in place a Stakeholders Relationship Committee of the Board ("SRC") which has been constituted by the Board for speedy redressal of grievances/ complaints relating to stakeholders / investors, and also has in place a Corporate Social Responsibility Committee, which identifies CSR activities to be undertaken by the Company, affecting communities in areas or subject as specified in Schedule VII of the Act and Rules made thereunder. Further, a dedicated email id is also available for community/ NGOs to register their grievances. The Risk Management Committee has also been constituted to identify elements of risk in different areas of operations. The committee evaluates significant risk exposures of the company and assess management's actions to mitigate the exposures in a timely manner. This also includes the ESG risks. The observations of each of these Committees are duly intimated to the Board at its respective meeting. Value Chain Partners may register their complaints / grievances / concerns directly with the head of the concerned department of the Company. All employees of the Company have direct access to the to the Chairman of the Audit Committee under the Vigil Mechanism implemented by the Company through which Directors, Senior Management & Employees may report breach of Code of Conduct including Code of Conduct for Insider Trading, unethical business practices, illegality, fraud, corruption, leak of unpublished price sensitive information pertaining to the Company etc. at workplace without fear of reprisal.

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.

Yes, Stakeholder consultation is pivotal in order to create long-term value and we take steps to understand each stakeholder group's needs and priorities through several mediums, including direct engagement or via delegated committees and forums.

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

Emotional Wellness Programme:

Sleepwell foundation is championing the advocacy of substituting the term mental with emotional and bringing proactiveness in emotional wellness.

Our Initiative supports the IEC activities of the Government of India's National Mental Health Program (NMHP) for the purpose of increasing awareness of mental health. Through our initiatives we create literacy and build awareness of proactive emotional wellness. 11,255 beneficiaries have been impacted by emotional wellness workshops. Additionally, the Awareness Videos and Reels on social media has impacted 1,20,45,533 beneficiaries.

Our initiatives include educational workshops for children and youth, teacher training, and community-level counsellor programs. We cover topics like Gender Sensitization, Stress Management, Menstrual Health, Bullying Prevention, and Communication. These efforts aim to create an emotionally safe environment for growth. Through social media, our emotional wellness films reach millions, influencing societal behavior. Our BBCS (Barefoot Basic Counselling Skills) Workshops train grassroots mental health counsellors, addressing the shortage of counsellors in India.

Skill Development Programme:

Set up Sleepwell Foundation Skill Development Centre at Village Mirpur on the outskirts of Khurja, (UP). The Centre is training people and is helping to meet the objectives of the National Skill Development Corporation (NSDC) in filling the skill gap and achieving the vision of a 'Skilled India'. 2,630 beneficiaries have been impacted by the activities carried out by the Skill Development Programme.

Sleepwell Foundation is a firm believer in the power of Proactiveness and creating opportunities before even when the need arises. Preventive or proactive approach helps in alleviating many challenges much before they become acute issues and is many times able to nip the problem in the bud.

Recognizing the need to prepare rural youth, Sleepwell Foundation established Col Gautam Academy to train recruits for the Indian army and paramilitary forces. The academy trains both girls and boys, offering physical and classroom instruction, along with essential guidance on recruitment procedures for the Army, Navy, Air Force, Police, and other services. Understanding the social constraints on young women in rural areas, Sleepwell Foundation offers practical and sustainable skills courses that empower youth within their communities, enabling them to secure employment and contribute to the local economy.

Paramedical Courses:

The Covid-19 pandemic exposed the shortage of healthcare professionals in rural India and highlighted rural-urban health disparities. To address this, we introduced Paramedical Courses at SDC Khurja, in partnership with DPMI, a leader in healthcare training in India. These courses, which saw high participation from both men and women, led to internships at local hospitals and healthcare facilities in and around Khurja. Aligned with SDG 3, our aim is to ensure universal health coverage and equitable access to healthcare in rural areas.

Selling Skill Course:

Sales is the backbone of any business, employing millions. Recognizing the potential, especially with the upcoming Noida International Airport at Jewar, we introduced a Selling Skill Course at SDC Khurja. This course teaches basic selling skills and modern marketing principles, equipping trainees to become effective salespeople. Taught by industry experts, it aims to create numerous job opportunities and provide decent work for graduates.

MasterG's fashion design course for women is a step in this direction. Traditionally, patternmaking in garment manufacturing has been a male-dominated role, passed down

from father to son and known as 'Masterji'. At MasterG, we democratize patternmaking, providing women with the skills and tools to reimagine and redesign their lives.

Computer And English Lessons:

All our trainees at SDC Khurja undergo Computer and English lessons mandatorily, as these skills are essential in today's world. Without them, rural youth would fall behind. We aim to equip them to feel at home wherever they go. In the last four years since SDC Khurja, thousands of trainees have been trained, securing positions in the Armed forces and leading

corporations. Many have also become entrepreneurs, creating businesses that boost the economy and their quality of life.

Business and Professional Effectiveness Workshops:

A series of 3-Day Workshop, conducted for ITI/Diploma Students, Graduates & Pursuing Graduates etc. of various colleges to prepare and motivate youth to set-up their own business, thereby addressing unemployment issues. A series of 4-Day Workshop, conducted for Supervisors and middle management team of SMEs to enhance their soft skills and thereby increasing productivity of the organizations where they are employed.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

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

Category	FY 2023-24 Current Financial Year			FY 2022-23 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	786	786	100%	666	Nil	Nil
Other than permanent	64	64	100%	41	Nil	Nil
Total Employees	786	786	100%	707	Nil	Nil
Workers						
Permanent	1435	1435	100%	1256	Nil	Nil
Other than permanent	955	955	100%	783	Nil	Nil
Total Employees	2390	2390	100%	2039	Nil	Nil

- Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24 (Current FY)					FY 2022-23 (Previous FY)				
	Total Count in Current FY	Number of Employees Paid Minimum wage	% age of Employees Paid Minimum wage	Number of Employees Paid more than Minimum wage	% age of Employees Paid more than Minimum wage	Total Count in Previous FY	Number of Employees Paid Minimum wage	% age of Employees Paid Minimum wage	Number of Employees Paid more than Minimum wage	% age of Employees Paid more than Minimum wage
Employees										
Permanent										
Male	719	-	-	719	100%	612	-	-	612	100%
Female	67	-	-	67	100%	54	-	-	54	100%
Other than permanent										
Male	55	-	-	55	100%	25	-	-	25	100%
Female	09	-	-	09	100%	16	-	-	16	100%
Workers										
Permanent										
Male	1367	-	-	1367	100%	1197	-	-	1197	100%
Female	68	-	-	68	100%	59	-	-	59	100%
Other than permanent										
Male	885	-	-	885	100%	741	-	-	741	100%
Female	70	-	-	70	100%	42	-	-	42	100%

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

	Male		Female	
	No.	Median remuneration/ salary/ wages of respective category (INR)	No.	Median remuneration/ salary/ wages of respective category (INR)
Board of Directors*	9	35,00,000	2	1,07,13,670
Key Managerial Personnel#	7	1,98,17,276	1	1,84,52,340
Employees other than BoD and KMP	775	3,14,412	76	3,63,096
Workers	2390	2,40,828	138	2,42,208

Note: *BODs include Executive Directors and Independent directors

#KMPs definition as per Companies Act, 2013

b. Gross wages paid to females as % of total wages paid by the entity:

	Current FY2023-24	Previous FY2022-23
Gross wages paid to females as % of total wages.	14.48%	12.69

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 Chief Human Resource Officer (CHRO) is the focal point responsible for addressing human rights impacts or issues caused or contributed to by the business.

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

The company has the Employee grievance mechanism policy internally accessible on the intranet to all the employees. Under these policies, we have established 4 levels of escalation.

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

	FY 2023-24 (Current Financial Year)			FY 2022-23 (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	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour / Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

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

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

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

The Company has an Anti-Social Harassment policy in place which is in line with the requirements of Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act 2013. The Internal system has been set up to redress complaints received regarding sexual harassment.

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

SFL on board vendors who have operations in notified industrial areas i.e., aspects like child labour, forced labour etc. are continuously monitored by assigned authorities. Also, these suppliers established in notified industrial area are subjected to fire & safety compliances, pollution compliances etc.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	The success of the Company's operations, the standard of its work, and its brand reputation hinge on the dedication and capabilities of its workforce. Human rights practices like prevention of Child labour, Forced/involuntary labour, are taken care during hiring process. The Company has a policy relating to Anti-Social Harassment, which is committed to creating a healthy and safe working environment that enables employees to work without fear of prejudice, bias and sexual harassment.
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	100%
	NA

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable

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

Not Applicable, as the Company has not received any grievance/complaint

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

SFL on board vendors who have operations in notified industrial areas i.e., aspects like child labour, forced labour etc. are continuously monitored by assigned authorities. Also, these suppliers established in notified industrial area are subjected to fire & safety compliances, pollution compliances etc.

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?

Yes, offices and plants are accessible to differently abled visitors.

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	SFL encourages suppliers to provide an inclusive and supportive working environment and to exercise diversity when it comes to their employees. SFL on board vendors who have operations in formal industrial areas i.e., aspects like child labor, forced labor etc. are continuously monitored by assigned authorities of the industrial areas. SFL conducts vendor specific audits to ensure compliance towards Sexual Harassment, child Labour, Forced Labour etc.
Child labour	
Forced labour/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 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	6,203 GJ	2,768 GJ
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources [C]	Nil	Nil
Total energy consumption (A+B+C)	6,203 GJ	2,768 GJ
From non-renewable sources		
Total electricity consumption (D)	21,700 GJ	27,429 GJ
Total Fuel Consumption (E)	1,914 GJ	3,361 GJ
Energy consumption through other sources [F]	Nil	Nil
Total energy consumption (D+E+F)	23,615 GJ	30,790 GJ
Total energy consumption (A+B+C+D+E+F)	29,818 GJ	33,558 GJ
Energy intensity per crore of turnover (Total energy consumption/ turnover in rupees) *Revenue is crores	15.87 GJ/Cr	16.46 GJ/Cr
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP in crores)	355.38 GJ/\$Cr	364.96 GJ/\$Cr
Energy intensity in terms of physical output ((GJ/MT of foam production)	0.62 GJ/MT	0.73 GJ/MT

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

No

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.

The Company does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

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

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0 KL	0 KL
(ii) Groundwater	34,866 KL	35,571 KL
(iii) Third party water	16,286 KL	20,817 KL
(iv) Seawater / desalinated water	0 KL	0 KL
(v) Others	0 KL	0 KL
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	51,152 KL	56,388 KL
Total volume of water consumption (In kilolitres)	51,152 KL	56,388 KL
Water intensity per rupee of turnover (Water consumed in kilolitres / turnover in crores)	27.21 KL/Cr	27.66 KL/Cr
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP in crores)	609.63 KL/\$Cr	613.23 KL/\$Cr
Water intensity in terms of physical output (KL/MT of foam production)	1.07 KL/MT	1.23 KL/MT
Water Intensity (optional) - the relevant metric may be selected by the entity	--	--
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?	No	No

*Note: Water Intensity is calculated by dividing the amount of Water Withdrawn (in KL) to the total foam production (in MT) during the Financial Year 23-24.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(ii) To Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(iii) To Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(iv) Sent to third parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment - please specify level of treatment	11,654 KL STP treatment	10,446 KL* STP treatment
Total water discharged (in kiloliters)	11,654 KL	10,446 KL

*The company has installed STP's at Corporate Office and Manufacturing plants, which treats the water and is used for domestic purposes. The treated water is then reused and recycled for gardening or sent back to earth for recharge, as appropriate.

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.

The Company has Sewage Treatment Plants (STPs) installed at its Corporate Office and manufacturing plants in Greater Noida, Surajpur, Hyderabad, Jalpaiguri, Kalamb, Erode, and Talwada. These plants treat the water, which is then used for domestic purposes. The treated water is reused and recycled for gardening or returned to the earth for recharge, as appropriate. Therefore, there is no need for a Zero Liquid Discharge mechanism.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	mg/nm3	1584.5	Not available
SOx	mg/nm3	1542.3	Not available
Particulate matter (PM)	mg/nm3	2189.1	Not available
Persistent organic pollutants (POP)	-	Not available	Not available
Volatile organic compounds (VOC)	-	Not available	Not available
Hazardous air pollutants (HAP)	-	Not available	Not available
Others - please specify (CO)		Not available	Not available

*Note: SFL monitors its air emissions from DG sets through NABL certified laboratories for its manufacturing plants located at Jalpaiguri, Talwada, Hyderabad & Erode. SFL is compliant with the State Pollution control boards recommended industrial air quality norms.

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

No.

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

Parameter	Unit	FY 2023-24	FY 2022-23
		(Current Financial Year)	(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 tonnes of CO ₂ equivalent	377.21	220.18
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 tonnes of CO ₂ equivalent	4,316.00	4,729.30
Total Scope 1 and Scope 2 emissions intensity- (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent / crore of turnover	2.50	2.43
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)	(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	55.93	53.83
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO ₂ equivalent / MT of Foam Production	0.10	0.11
Total Scope 1 and Scope 2 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.

Not applicable

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

1. Installation of solar plants and LED lights.
2. Solar power project, project on conversion of DG sets from diesel to PNG in Greater Noida plant.
3. Vertical Variable Pressure Foaming (VPF) technology to reduce fumes and GHG emissions
4. 95% of lighting is with LED in Rajpura plant
5. Installation of solar powered streetlights and traffic lights to avoid electricity consumption.

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

Parameter	FY 2023-24	FY 2022-23
	(Current Financial Year)	(Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	42.517 MT	107.45 MT
E-waste (B)	0.78 MT	13.78 MT
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	4.5 MT
Battery waste (E)	Nil	2.52 MT
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	36.36 MT	34.4 MT
Other Non-hazardous waste generated. Please specify, if any. (H) (Break-up by composition i.e., by materials relevant to the sector)	1326.4 MT	1259.6 MT
Total (A + B + C + D + E + F + G + H)	1406.06 MT	1422.30 MT
Waste intensity per rupee of turnover (Total waste generated MT / Revenue from operations in crores)	0.75	0.70
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP in crores)	16.76	15.47
Waste intensity in terms of physical output (MT/MT of foam production)	0.03	0.03
Waste intensity (optional) - the relevant metric may be selected by the entity	--	--

Parameter	FY 2023-24	FY 2022-23
	(Current Financial Year)	(Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	Nil	Nil
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	1406.06 MT (Authorised vendor)	Nil
Total	1406.06 MT	Nil

Note: Includes iron, tin, quilting & other scrap

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.

No

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.

Given the nature of the business, the generation of hazardous and toxic waste by the Company is minimal.

We are the manufacturer of polyurethane foam and its product. The TDI is the main raw material which is used for the production of foam. To ensure social & environmental responsibility following waste management actions have been taken us: -

- We have been procuring TDI in bulk quantity through tanker and rear of the rear cases procurement is made through the drum. Since drums contain stains of TDI therefore we take utmost care and sell them to Government authorized agencies only, who further recycle the same.
- The wastepaper generated in the production process and from the units are being sold out to the authorized vendor, who further uses them in the manufacturing process of molded paper plates & bowl etc.
- Waste Foam - Waste foam generated from the production process is sold out to the recycling processor which further uses them in the production of rebonded foam
 - Other E-waste materials are sold out to authorized vendors only.
- We have obtained the required license from the Government Department as a brand owner for the plastic waste being produced in the manufacturing process. Further, the waste is recycled by M/s ICPL on our behalf.
- Units segregate all waste and store it separately for further disposal. Further non-hazardous waste is being sold out to local scrap dealers only.

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:

Not applicable

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

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, the Company is generally compliant with the applicable environmental laws / regulations/ guidelines in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
		Nil		

Nil

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters). For each facility / plant located in areas of water stress, provide the following information for current and previous FY:

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area - Greater Noida, Hyderabad and Erode
- (ii) Nature of operations - Manufacturing of Foam
- (iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	19,910 KL	22,426 KL
(iii) Third party water	15,543 KL	20,817 KL
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres)	35,453 KL	43,243 KL
Total volume of water consumption (in kilolitres)	35,453 KL	43,243 KL
Water intensity per crore of turnover (Water consumed / turnover)	19.00	20.26
Water intensity (optional) the relevant metric may be selected by the entity	--	--
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	Nil	Nil
(ii) To Groundwater	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	Nil	Nil
(iii) To Seawater	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	Nil	Nil
(iv) Sent to Third parties	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
No treatment	Nil	Nil
With treatment - please specify level of treatment	8,105.32 KL	STP Treatment 6,590 KL*
Total water discharged (in kilolitres)	8,105.32 KL	6,590 KL

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

NA

* The Company has installed STP at Corporate Office and plants which treats the water used for domestic purposes. The treated water is then reused and recycled for gardening or sent back to earth for recharge, as appropriate.

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

Not applicable

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (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)	tCO ₂ e	Not Measured	Not Measured
Total Scope 3 emissions per rupee of turnover	tCO ₂ e / INR	-	-
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.

No

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.

N.A., as the Company does not have operations/offices in/around ecologically sensitive areas where environmental approvals / clearances are required

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	Switching to renewable source of energy	Installation of solar plants and consumption of 21% of solar electricity along with LED lights in the manufacturing plants.	Energy efficiency and lower GHG emissions.
2	Switching to renewable source of energy	Solar power project, project on conversion of DG sets from diesel to PNG in Greater Noida plant.	Energy efficiency and lower GHG emissions
3	Better Technology Adoption	Vertical Variable Pressure Foaming (VPF) technology to reduce fumes and GHG emissions	Reduced fumes and GHG emissions,
4	Switching to renewable source of energy	95% of lighting is with LED in Rajpura plant	Energy efficiency and lower GHG emissions
5	LEED Certification	Sheela foam's corporate office building is certified as LEED BD+C (Core and shell) Platinum rating that provides a cost effective, energy, and resource efficient framework for all commercial buildings.	Less energy and water usage, green building mechanism which supports the climate, Shrink carbon footprint
6	Reduced occupancy sensor delays in lift and toilet lights	We reduced the occupancy sensor delay time in lift lobby and toilets from 15 mins to 5 mins	Energy efficiency
7	Sensor taps for washroom area	Sensor taps come with built-in sensors that allow it to detect motion and when an object appears in the front of tap, it automatically lets the water out.	Less water consumption and water wastage up to 70%
8	Automated streetlights and tube lights	100% streetlights and tube lights at the mezzanine tunnels are automated for timely switch on/off to reduce unnecessary energy wastage	Energy Efficiency
9	Trainings on re-use and recycle	Trainings have been provided to the company associates for "Out of the box thinking" on how to reuse and recycle the used/ scrap materials.	Circularity, Reduced waste
10	Procurement of electrical equipment	Procuring electrical equipment such as switchgears and appliances for better utilization and minimum wastage of any kind.	Reduced waste
11	Trees plantation and water harvesting	Plantation of trees for greenery and installation of water harvesting pits	Mitigation of climate change risks, water saving
12	Sustainable Packaging	Packaging and branding material used for packing pillows and mattress are environmentally friendly in nature as either it is recycled or reused.	Lesser packaging waste generation
		Transition towards environmentally friendly packaging material (LDEP Grade 7) which is recyclable and reusable	Circularity

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Sheela Foam Limited has a comprehensive Business Continuity Plan (BCP) in place to ensure continuity of operations and manage disasters effectively. The BCP includes standby databases, redundancy on hardware, regular database backups, and security measures such as firewalls. The plan is reviewed annually and updated when necessary. Data leakage prevention tools are deployed, and BCP testing is conducted every six months. The BCP leader coordinates the development and maintenance of the plan, declares disaster scenarios, conducts audits and testing, and ensures training for team members.

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.

No significant adverse impacts have been reported from any value chain partners. Suppliers are expected to provide a safe and healthy working environment and, if applicable, safe and healthy company living quarters, and to operate in an environmentally responsible and efficient manner.

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

SFL encourages suppliers to provide an inclusive and supportive working environment and to exercise diversity when it comes to their employees. We are currently in process of selecting the assessment criterion for value chain partners. However, 46% of suppliers were assessed for environmental impact as part of the supplier audits.

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 trade and industry chambers/ associations.**

The Company is affiliated with 5 trade and industry chambers/ associations

- b) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such 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	Indian Polyurethane Association	National
2	Industrial Associations located at respective units	State
3	Indian Sleep Product Federation	National
4	Associated Chambers of Commerce and Industry of India (ASSOCHEM)	International
5	Confederation of Indian Industry (CII)	National

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**

Name of the authority	Brief of the case	Corrective action taken
NA	NA	NA

LEADERSHIP INDICATORS

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

As the leading producer of foam and mattresses, our company remains committed to maintaining active involvement in various associations, such as the Indian Polyurethane Association, CII, ASSOCHAM, and others, to address policy matters concerning our industry.

In all advocacy efforts, we prioritize the principle of "Commitment to Society," emphasizing its utmost importance. Web link:

<https://sheelafoam.com/pdf/investor/policy-of-sheela-foam-limited-towards-society.pdf>

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

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.**

Nil. Social Impact Assessment is conducted internally before planning and executing a project.

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

Not Applicable

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

We have a dedicated email ID for handling community grievances. The e-mail id is grievances@sleepwellfoundation.com and it is available on our website also.

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

Parameter	FY2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ Small producers	34.53%	4.9%
Sourced directly from within India	55.64%	*79.9%

Note: The Data for FY 2022-23 is considered as per the previous year’s KPI - Input material sourced from neighboring districts.

5. Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost.

Location	Current FY	Previous FY
Rural	-	-
Semi-urban	24%	28%
Urban	30%	33%
Metropolitan	46%	39%

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):

Not Applicable.

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

CSR activities are not done in the aspirational districts identified by Government.

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

-
SFL does not differentiate / discriminate while selecting its vendors. The company procures its foaming inputs from reputed chemical industry players, while for other inputs such as fabrics, packaging, rebonded foam, etc. they have mostly MSME vendors.

They developed trusted relationship with local vendors and works with them to develop quality product that meets its

as well as industry needs, thereby enabling local vendors to grow their business.

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

Not Applicable

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

Not Applicable

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

Not applicable.

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.

Nil

6. Details of beneficiaries of CSR Projects.

S. No.	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Skill Development Centre in Khurja	1447	100%
2	Skill Development Workshops	2,630	100%
3	Emotional Wellness Workshops	11255	Mixed beneficiaries
4	Emotional Wellness Awareness Programme Through social media	12045533	Mixed beneficiaries

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

ESSENTIAL INDICATORS

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

Consumer Complaints are attended at centralized customer care center called 'Sleepwell Care' and are resolved expeditiously. Contact number and e-mail id are available on our website <https://mysleepwell.com/sleepwell-at-home> for consumers to register complaints or provide any review/feedback. Consumers can register a complaint through Sleepwell care or with the Dealer.

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

	As a percentage to total turnover
Environment and Social parameters relevant to product	*Nil
Safe and responsible usage	However, The Company is in process to establish a tracking mechanism for the same
Recycling and/or safe disposal	

*Note: Mandatory information regarding use of product will be reflected on the product packaging for consumer reference.

3. Number of consumer complaints:

	FY2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others	18073	1431	-	35264	640	-

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

	Number	Reason for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	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 company has framed its cyber security & data privacy policy under its IT policies which is applicable to all the Employees (Full Time, Part Time, Contractual, Consultants, Auditors, etc.) and stakeholders (in some cases Customers & Vendors) of SFL. It considers customer information safety as a critical aspect. This policy is available on the intranet portal.

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.

Since there are no complaints, there was no need for any corrective action.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - Nil
- b. Percentage of data breaches involving personally identifiable information of customers - Not Applicable
- c. Impact, if any, of the data breaches - Not Applicable

LEADERSHIP INDICATORS

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

Corporate Website at <https://www.sheelafoam.com/home-comfort-products.html> and <https://mysleepwell.com/>

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

Steps for responsible usage are available on the packaging of the products.

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

In case of any disruption/discontinuation of essential services, BCP leader shall invoke the BCP process in consultation with the BCP Team Members. Thereafter, consumers are informed through website about disruption/ discontinuation if any.

For e.g., during the covid, due to disruption in production and transportation services, customers were informed via website and Sleepwell@Home Initiative was started.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. 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)

Yes, the Company ensures that all the information as required to be displayed on the product labels as per the applicable rules and regulations are properly displayed. Further, the product information can also be referred from our website. Additionally, surveys are carried out to study satisfaction level with reference to Products, Customer handling at Dealers end and by Customer Care Department