

Business Responsibility & Sustainability Report



Business Responsibility & Sustainability Report

ANNEXURE 'C'

Section A: General disclosures

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65921DL1992PLC120483
2.	Name of the Entity	Paisalo Digital Limited (herein referred to as "Paisalo" or "The Company" or "We")
3.	Year of Incorporation	March 05, 1992
4.	Registered office address	CSC, Pocket-52, CR Park, Near Police Station, New Delhi-110019
5.	Corporate address	CSC, Pocket-52, CR Park, Near Police Station, New Delhi-110019
6.	E-mail	delhi@paisalo.in
7.	Telephone	+91 11 4351 8888
8.	Website	www.paisalo.in
9.	Financial year for which reporting is being done	April 1, 2024 - March 31, 2025 (i.e FY2024-25)
10.	Name of the Stock Exchange(s) where shares are listed	1. National Stock Exchange of India Limited (NSE) 2. BSE Limited
11.	Paid-up Capital	₹902.18 million (As on March 31, 2025)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name - Manendra Singh Designation - Chief Compliance Officer & Company Secretary Contact details - +91 11 43518888 Email id - cs@paisalo.in
13.	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures in this report are made on a standalone basis, unless stated otherwise.
14.	Name of assurance provider	Paisalo has not engaged with any third party for obtaining external assurance
15.	Type of assurance obtained	Not Applicable (N/A)

II. Products/services

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

SL. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the Entity (FY 2024-25)
1	Financial services	Non-Banking Financial Company engaged in providing loans for supporting businesses, small and medium enterprises and the purchase of vehicles.	100%
	Corporate Loans Paisalo offers small business Income Generation Loans to support business enterprises and income enhancement activities of the clients like purchasing seeds, fodder, cattle, etc	MSME & SME Loans Paisalo offers customizable MSME, SME and Commercial loans based on the borrower's profiles.	Vehicle Loans Paisalo offers asset base funding (E vehicles & Used Car) to credit deprived section of the society with best price and services in rural semi urban cities servicing the financial need of real BHARAT

Paisalo offers diverse loan products tailored to meet the financial needs of rural and semi-urban India, empowering "Real Bharat" with accessible credit solutions.

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

SL. No.	Product/Service	NIC Code	% Of Total Turnover Contributed
1	Small Income Generation Loans	65923	12.80
2	MSME & SME Commercial Loans	65923	84.57
3	Vehicles Loans	65923	2.63

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

Location	Number of operational locations	Number of offices#	Total
National	N/A*	351# (3565 Touch Points**)	351# (3565 Touch Points**)
International		0	0

*Paisalo Digital Limited and its subsidiary provides financial services and does not undertake any manufacturing activity.

#Includes all the branches, registered and head offices as on March 31, 2025.

** Total geographic footprint stood at to 3565 touch points (351 Branches + 1314 Business Correspondent CSPs +1900 Distribution Points)

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

Locations	Number
National (No. of States)	22
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity? (Please check the response):

Paisalo is a Non-Banking Financial Company (NBFC) that offers financial services to underserved individuals in India. The Company focuses solely on the domestic market and does not export its products or services internationally.

c. A brief on types of customers:

Paisalo focuses on promoting inclusive growth by targeting underserved retail segments of society. Understanding that these segments need significant financial support to succeed, Paisalo designs its loans to equip individuals and small business owners with the resources necessary for self-reliance and sustainable livelihoods. The Company offers small-ticket, employment-oriented, and income-generating loans that are crucial in nurturing self-sufficiency among borrowers.

To support small and medium-sized enterprises (SMEs) across various sectors such as education, retail, pharmaceuticals, electrical, and chemicals, Paisalo provides tailored financial solutions that address specific industry needs.

By facilitating access to finance for both individual borrowers and sectoral enterprises, Paisalo promotes sustainable livelihoods and drives long-term economic empowerment.

IV. Employees

20. Details as at the end of Financial Year:

i. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	3178	3095	97%	83	3%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D+E)	3178	3095	97%	83	3%
Workers*						
4	Permanent (F)					
5	Other than Permanent (G)			0		
6	Total employees (F+G)					

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

ii. Differently abled Employees

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	1	1	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D+E)	1	1	100%	0	0%

iii. Differently abled Workers*:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Workers						
1.	Permanent (D)					
2.	Other than Permanent (E)			N/A		
3.	Total employees (D+E)					

Note: * Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

21. Participation/Inclusion/Representation of women

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10%
Key Management Personnel (KMP)*	6	0	0%

*Key Management Personnel are as defined under Section 2(51) of the Companies Act, 2013 and includes Managing Director and Executive Directors

22. Turnover rate for permanent employees and workers

Note: * Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

Category	FY2024-25			FY2023-24			FY2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	34.79%	1.63%	36.42%	27.23%	1.22%	28.45%	49.23%	0.38%	49.61%
Permanent Workers*	N/A								

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

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

S. No.	Name of the holding/ subsidiary/associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Nupur Finvest Private Limited	Subsidiary	100%	No

Note: Nupur Finvest Private Limited (NFPL) was incorporated in 1995 and is registered with RBI in 2008 as a non-deposit taking NBFC. It is wholly owned subsidiary of Paisalo Digital Limited. NFPL lending business primarily focused on two major segments: i) Small Finance Division, ii) SME Loan Division

VI. CSR Details

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

(ii) Turnover (INR in Mn): 7,348.32

(iii) Net Worth (INR in Mn): 15,257.01

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) [#]	FY 2024-25			FY 2023-24		
		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	0	Nil	0	0	Nil	0
Investors (other than shareholders)*	Yes	0	Nil	0	0	Nil	0
Shareholders	Yes	1	Nil	0	0	Nil	0
Employees	Yes	0	Nil	0	0	Nil	0
Customers	Yes	26	Nil	0	10	Nil	0
Value Chain Partners (Vendors)	Yes	0	Nil	0	0	Nil	0
Govt. & Regulators	Yes	0	Nil	0	0	Nil	0

Note: * Investors (Other than Shareholders) means Debenture holders of the Company

[#]As a principle, in line with policies, practices and processes, Paisalo engages with its stakeholders and strives to redress their grievance in a just, fair and equitable manner and if warranted takes corrective measures. There are certain policies which are internal documents and are not accessible to public, in addition to the policies available on Company's website at <https://www.paisalo.in/home/investorrelation>, regarding conduct with stakeholders, including grievance mechanisms

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

Sr. No.	Material issues identified	Indicate Risk/ Opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive/negative implications)
1	Climate Change	Opportunity	Climate change opens avenues for financial inclusion through green financing and sustainability-focused products. As rural and semi-urban India seeks climate-resilient solutions, Paisalo Digital can lead by funding eco-friendly initiatives and micro-entrepreneurship.	-	Positive - Pursuing sustainable finance solutions, particularly for Electric Vehicles, presents a unique opportunity for Paisalo to strengthen its market position and brand as a leader in environmentally responsible finance. These efforts are anticipated to expand the customer base by attracting eco-conscious customers and enhancing revenue streams. This also enhances Paisalo's reputation as a proactive contributor to India's environmental objectives, thereby ensuring long-term business sustainability and stakeholder value creation.
		Risk	Climate change poses operational risks for Paisalo through increased vulnerability of its borrower base, especially in rural and semi-urban areas reliant on informal sectors. Extreme weather events may impact loan repayment capacity and asset quality. Additionally, regulatory shifts toward climate-aligned lending may require business model adjustments and proactive ESG integration. In line with this evolving landscape, the Reserve Bank of India (RBI) has issued draft guidelines mandating climate-related disclosures for NBFCs, signaling increased scrutiny and the need for enhanced climate risk preparedness.	Paisalo is strengthening its climate resilience by initiating a climate risk assessment aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This strategic move enables the Company to identify, evaluate, and integrate material climate-related risks into its broader risk management and lending frameworks.	Negative - As climate change impacts the financial stability of borrowers, it can lead to increased credit defaults, reduced cash flows, and heightened provisioning requirements, thereby exerting financial pressure on the Company's profitability and asset quality.
2	Financial Inclusion	Opportunity	Financial inclusion is deeply ingrained in Paisalo's DNA, shaping its mission to bridge credit gaps and foster economic empowerment. By serving the underserved, Paisalo unlocks vast potential in rural and semi-urban markets through accessible credit and digital financial solutions. The Company empowers micro-entrepreneurs, fuels grassroots economic growth, and aligns seamlessly with national development goals and evolving regulatory priorities—enhancing both strategic relevance and long-term viability.	-	Positive - Expanding access to credit in underserved areas creates a scalable customer base, driving consistent revenue growth. Digital financial inclusion reduces operational costs through tech-driven efficiencies and lowers customer acquisition expenses.

3	Innovation & Digitization	Opportunity	Innovation and technology are central to Paisalo's strategy, fueling differentiation and enabling the Company to stand out in the competitive landscape. By developing cutting-edge financial solutions tailored to emerging customer needs, Paisalo can enhance customer satisfaction and loyalty, driving revenue growth. Leveraging technology allows the Company to offer more efficient and accessible financial services, reaching underserved markets and expanding its customer base. This dual focus not only attracts newer demographics but also reinforces Paisalo's position as a forward-thinking and agile player in the financial services sector.	Positive - By offering cutting-edge financial solutions, the Company enhances customer satisfaction and drives revenue growth. Leveraging technology facilitates efficient, accessible services, expanding reach to underserved markets. Digital onboarding accelerates processes and reduces acquisition costs, boosting operational efficiency. This approach reinforces Paisalo's position as a forward-thinking leader in financial services.
4	Local Employment Generation	Opportunity	Paisalo prioritizes financial inclusion by providing accessible credit and digital finance solutions to underserved rural and semi-urban markets. The Company serves unbanked and underbanked communities through strategic co-lending partnerships with leading banks and an expansive Business Correspondents (BC) network. This model facilitates access to credit in remote areas, unlocking economic potential for micro-entrepreneurs and small businesses. By generating employment closer to where people live-especially in rural and semi-urban regions-Paisalo promotes balanced regional development and builds long-term community resilience.	- Positive - Facilitating local job creation strengthens borrower income stability, enhancing repayment capacity and loan book quality. Hiring locally can reduce recruitment and relocation expenses, as well as minimize training costs due to the familiarity of local employees with the cultural and economic landscape. This cost efficiency can improve the Company's margins. Supporting grassroots livelihoods reinforces community trust, driving higher customer retention and repeat business.
5	Data Privacy and Security	Risk	As a financial services provider, Paisalo handles sensitive customer data, making it a potential target for cyber threats and breaches. Inadequate safeguards or lapses in data handling could lead to reputational damage, regulatory penalties, and customer attrition. Rapid digitization without robust security frameworks heightens exposure to phishing, fraud, and system vulnerabilities.	Negative - Data breaches or cyber incidents may lead to financial losses due to regulatory fines, legal expenses, and customer attrition To mitigate data security and privacy risks, the Company has instituted robust safeguards, including strict access controls, data encryption, and regular security audits. In addition, it has established a comprehensive Information Security and Data Privacy Policy and conducts periodic training to ensure employees follow best practices in data handling.

6	Business Ethics	Risk	As a financial services provider catering to vulnerable segments, any deviation from ethical conduct could erode stakeholder trust and credibility. Lapses in fair lending practices, transparency, or customer treatment may invite regulatory scrutiny and reputational damage.	The Company has implemented a formal Code of Conduct and Ethics to guide employee behavior, decision-making, and stakeholder interactions. This framework is supported by regular training programs, internal audits, and whistleblower mechanisms, which promote accountability and transparency throughout the organization.	Negative - Ethical lapses can result in regulatory action, reputational damage, and financial penalties. Moreover, erosion of stakeholder trust can impact business continuity and investor confidence.
7	Regulatory Compliance	Risk	The financial services sector operates under a complex and evolving regulatory environment. Adherence to applicable laws, guidelines, and supervisory frameworks is critical to maintain business continuity, ensure market integrity, and protect customer interests	The Company has instituted a strong compliance culture supported by clearly defined policies, standard operating procedures, and internal control mechanisms. Regular compliance audits, regulatory reporting, and monitoring systems are in place to ensure adherence to all applicable legal and regulatory standards. The organization also undertakes periodic reviews to remain updated with new regulatory developments and provides training to relevant staff to reinforce compliance awareness.	Negative - Regulatory breaches may lead to financial penalties, legal costs, increased scrutiny, and reputational harm.

Section B: Management and process disclosures

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

The Company has put in place structures, policies and processes conforming to below mentioned National Guidelines on Responsible Business Conduct (NGRBC) Principles:

S.No.	Principle Description	Principle Description Reference of Paisalo Policies /Procedure/ Standard/Assessment
1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	• Whistle blower policy • Anti-bribery policy and Anti-corruption policy (ABAC)* • Code of Conduct for directors & senior management personnel • Terms & conditions for appointment of Independent Directors • Code for Independent Directors • Fair Practices Code • Policy on related party transactions • Code of Conduct for prevention of Insider Trading • Policy for determination of material events and information for disclosures • Policy on Board Diversity* • Dividend Distribution Policy
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	• ESG Policy*
3	Businesses should promote the wellbeing of all employees	• Whistle blower policy • Nomination and Remuneration Policy • Grievance Redressal Policy*
4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	• Stakeholder Engagement Policy* • Corporate Social Responsibility Policy • Equal Opportunity policy • Policy for preservation of documents • Diversity and Inclusion Policy*
5	Businesses should respect and promote human rights	• Human Rights Policy* • Equal Opportunity Policy for persons with Disability • Freedom of Association and Collective Bargaining Policy* • Nomination and Remuneration Policy
6	Businesses should respect, protect and make efforts to restore the environment	• ESG Policy*
7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner	• Policy for determining material subsidiary • Stakeholder Engagement Policy*
8	Businesses should support inclusive growth and equitable development	• Corporate Social Responsibility Policy
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	• Data privacy Policy

Note: *The policies are internal to Paisalo and are available on the Company's intranet.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	All the policies (except those marked as 'Internal' are available on the Company's intranet and are accessible to internal stakeholders) are available on the Company's website: https://www.paisalo.in/home/investorrelation								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes. The Company has translated the policies and imbibed the same into procedures and practices of the Company, as applicable.								
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	The Company does not have any policies extending to its value chain partners. However, the Company ensures that its partners in the value chain participate in responsible and sustainable business conduct depending upon their means and resources. For this purpose, the Board of Paisalo has approved Fair Practice Code, Whistle Blower Policy, etc. enabling /requiring participation of value chain partners.								
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) mapped to each principle	Paisalo is fully compliant with all applicable rules and regulations, demonstrating its strong commitment to governance, data security, and operational integrity.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	Paisalo is in the process of finalizing its ESG roadmap, which will outline measurable goals and metrics aligned with industry standards and national priorities. While formal targets are not yet in place, the Company is actively developing policies and systems that will shape future reporting. Key ESG focus areas include: • Environmental efforts such as plantation drives, water conservation, and financing for electric vehicles • Expansion into rural and underserved regions through branch openings • Promoting gender equality by designing income-generating products for women entrepreneurs in rural areas Our Impact Measurement and Monitoring (IMM) framework, along with Environmental and Social Management System (ESMS) tracks outcome-driven metrics to align operational practices with responsible lending and meaningful last-mile impact.								
6. Performance of the entity against specific commitments, goals, and targets along with reasons in case the same are not met	Paisalo remains committed to sharing strategic updates on its sustainability performance in the coming years, highlighting key achievements and outcomes as the Company progresses on its sustainability journey.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlight ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Dear Stakeholders,

I'm pleased to present Paisalo's Business Responsibility and Sustainability Report (BRSR) for FY2025, a reflection of our commitment to responsible growth and inclusive finance. At Paisalo, our mission has always been clear: to empower underserved segments across India through low-ticket income generation loans. With technology as our ally and the grassroots as our guide, we've continued to scale with purpose, empathy, and impact.

This year marked a pivotal chapter as we deepened our Environmental, Social, and Governance (ESG) integration. We introduced our Environmental and Social Management System (ESMS) Manual, which now anchors our operational ethos in responsible lending practices. Further strengthening our ESG governance, we established an Impact Framework based on a Theory of Change, enabling us to clearly define our social intent, link it to measurable outcomes, and monitor progress toward last-mile empowerment. This approach reinforces accountability, transparency, and data-driven decision-making at the leadership level.

To advance our environmental responsibility, we have begun systematic monitoring of Scope 3 emissions for understanding and managing our indirect environmental impact while we continue to measure and monitor energy & water consumption and waste generation.

Furthering our social commitments, we allocated ₹32.08 million towards CSR efforts covering areas such as food distribution, medical aid, and access to free education-reaffirming our belief in equitable development.

Looking ahead, we are expanding our ESG focus by integrating climate-related disclosures, conducting customer and employee satisfaction surveys, and undertaking materiality assessments to understand and prioritize what truly matters to our stakeholders. These steps mark our journey toward becoming an even more responsive, responsible, and resilient organization.

Paisalo remains committed to doing business responsibly-anchored in ethics, sustainability, and community impact-as we build a future that serves both people and progress.

We look forward to continuing this journey together-creating meaningful change, one step at a time.

Sincerely,

Sunil Agarwal

Paisalo Digital Limited Director and CEO

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies

Name - Mr. Sunil Agarwal

Designation - Managing Director and CEO

DIN -00006991

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.

No. However, the Company's business responsibility performance is reviewed by the Board of Directors on an annual basis. In addition, the Risk Management Committee also assesses risks pertaining to certain principles of Business Responsibility as identified by the Chief Risk Officer of the Corporation. This structured approach ensures that all sustainability initiatives are guided by a comprehensive framework and executed effectively.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other– please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	All the Company policies are reviewed for efficacy and necessary changes periodically or on a need basis by department heads, business heads, senior management personnel and placed before the Board of Directors as and when required.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all the rules and regulations, as applicable.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	No, Paisalo conducts regular internal assessments to identify improvement areas and enhance operational processes. When needed, the Company engages external experts for deeper, specialized evaluations.																	

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1. The entity does not consider the Principles material to its business (Yes/No)	N/A								
2. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
3. The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
4. It is planned to be done in the next financial year (Yes/No)									
5. Any other reason (please specify)									

Notes:

- The core business area is to provide financial services and hence this principle has limited applicability. However, we strive to comply with all the applicable regulations in respect of our operations.
- We comply with applicable environmental regulations in respect of our office premises. We along with our employees take initiative to reduce consumption of energy and also make continuous efforts to ensure that there is an optimum utilization of the available resources with minimum or no wastage at all.
- The Company and/or its subsidiary entities are the members of various industry associations, through which they provide various suggestions with respect to healthy development of the financial market.
- Policies and processes are subject to internal audit and internal reviews from time to time.

Section C: Principle wise performance disclosure

I. 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	% age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	- Industry trends, business risks, regulations, and cybersecurity. - Directors and KMPs are sensitized on their roles, rights, responsibilities, and key developments concerning the Company. - Annual declaration to the Code of Conduct by Directors and Senior Management is affirmed and communicated by the Managing Director through the Annual Report.		100%
Employees other than BoD and KMPs	- Employees of the Company undergo various training programmes throughout the year. - Training helps the employees update their knowledge and awareness regarding changes and modifications in technology, techniques, regulations and norms. - Existing employees undergo periodical training programmes to make them familiar with the latest developments in KYC, Cyber Crimes and Securities, Data Security, Fraud prevention, Code of Conduct and work ethics etc. - All new employees undergo continuous on-the-job training to help them understand the procedures and operational guidelines specific to Paisalo.		100%
Workers*		N/A	

Note: *Paisalo Digital does not employ any permanent or contractual workers considering the nature of business operations.

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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine		There have been no cases leading to any penalty/fine, settlement or compounding fee for Paisalo in FY 2025. For penalty/fine/settlement imposed/ levied other than NGRBC Principle please refer Corporate Governance Report which forms part of Annual Report for FY 2025			
Settlement					
Compounding fee					

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 institution
	N/A

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, Paisalo's Policies, Code of Conduct, Fair Practice Code, and Ethics apply to all Directors, officers, and employees, guiding the Company's commitment to sustainability, ethical business conduct, and regulatory compliance. These standards promote integrity, transparency, and fair dealing in all interactions with stakeholders including customers, shareholders, employees, and the communities we serve.

The Company fosters a culture of accountability by encouraging employees to uphold these principles and act with honesty and fairness in their daily responsibilities. Employees are empowered to report any concerns related to unethical behavior, financial irregularities, or suspected fraud through the Whistle Blower Policy. This policy provides a secure, confidential, and accessible channel for reporting without fear of retaliation, thereby strengthening the Company's commitment to ethical governance.

To ensure continued awareness and adherence, the Company regularly communicates these policies to its employees and provides training programs that emphasize the importance of ethical conduct, compliance, and risk management. Paisalo's governance framework is aligned with its core values of ethics and transparency, supported by a practice of timely disclosure of material information to stakeholders.

The policies and codes are available at Company's website in Investor Relation section at <https://paisalo.in/home/esg>

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

Case details	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers*	N/A	N/A

Note: * Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

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

	FY 2024-25		FY 2023-24	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0		0	
		N/A		N/A
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0		0	

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.

N/A.

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

	FY 2024-25	FY 2023-24
Number of days of accounts payables	27	25

9. Open-ness of business

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

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	As Paisalo operates within the financial services industry and does not engage in the trading of goods, details regarding the concentration of purchases and sales with trading houses, dealers and related parties, as well as loans, advances and investments with related parties, are Not Applicable	
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers/distributors as % of total sales		
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors		
Share of Related Party Transactions in	a. Purchases (Purchases with related parties/Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties/Total Sales)	Nil*	Nil*
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)		
	d. Investments (Investments in related parties/Total Investments made)	Nil	Nil

Note: In FY2025, loans and advances were provided to our subsidiary Company, Nupur Finvest Private Limited; however, these amounts are not material in nature.

Leadership Indicators

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

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
29	Governance, Employee Well Being, Stakeholder Engagement & Inclusive Growth and Equitable Development	45%

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 established measures to prevent conflicts of interest through its Code of Conduct applicable to Directors and Senior Management. The Code clearly outlines the need to avoid personal or financial relationships with the Company unless permitted by law, and to steer clear of any situations that could compromise objectivity in dealings with employees, vendors, or the organization itself. Additionally, the Company obtains declarations from its Board of Directors and key management personnel regarding their affiliations with other entities on an annual basis,

ensuring compliance with applicable laws through requisite approvals before engaging in transactions with said entities.

Conflicts, if any, must be promptly disclosed to ensure transparency and adherence to governance standards.

For an in-depth understanding, our Code of conduct policy can be accessed at- https://www.paisalo.in/pdf/corporate_governance/policy/Code_Of_Conduct_For_Directors_And_Senior_Management_Personnel25.pdf

II. Principle 2: Businesses should provide goods and services in a manner that is Sustainable and Safe

Essential Indicators

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

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	Given the nature of Paisalo's business, this question is not applicable to the Company.		
Capex			

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

Paisalo is engaged in the financial products and services sector and, therefore, does not consume substantial raw materials or produce physical goods. Our core objective is to offer financing solutions and cater to individual needs. Accordingly, we currently do not maintain records or have a policy related to sustainable sourcing.

- If yes, what percentage of inputs were sourced sustainably?**

Paisalo is engaged in the financial products and services sector and, therefore, does not consume substantial raw materials or produce physical goods, hence this is Not Applicable.

- 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**

As a financial services provider, Paisalo does not produce hazardous or other types of waste typically linked to physical products or services and therefore has no waste to reclaim. Also, we remain committed to sustainability and actively promote efficient resource use among our employees, with a particular emphasis on reusing paper wherever possible across all Company offices.

- 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.**

Extended Producer Responsibility (EPR) is not directly applicable to Paisalo, as the Company operates within the financial services sector and does not manufacture or distribute physical products. Consequently, we are not subject to EPR regulations.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?**

Since the Company operates in the financial services sector, Life Cycle Assessment (LCA) is Not Applicable

- 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.

Paisalo does not face any major social or environmental concerns or risks, given the nature of its business operations.

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
	N/A	

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

As a financial services provider, Paisalo does not generate hazardous or industrial waste typically associated with manufacturing or physical goods and therefore has no waste to reclaim. However, in line with our commitment to sustainability, we actively promote responsible resource use within our operations-encouraging practices such as paper reuse and efficient consumption across all Company offices.

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

Given the nature of Paisalo's business, product and packaging reclamation at end-of-life is not applicable.

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

Essential Indicators

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

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident Insurance		Maternity Benefits*		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	3095	2473	79.90%	3095	100%	NA	NA	3095	100%	Nil	Nil
Female	83	63	75.90%	83	100%	83	100%	NA	NA	Nil	Nil
Total	3178	2536	79.80%	3178	100%	83	100%	3095	100%	Nil	Nil
Other than Permanent Employees											
Male											
Female	NIL										
Total											

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

Category	% of employees covered by										
	Total(A)	Health Insurance		Accident Insurance		Maternity Benefits*		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male											
Female						N/A					
Total											
Other than Permanent Workers*											
Male											
Female						N/A					
Total											

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

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

	FY 2024-25	FY 2023-24
Cost incurred on well- being measures as a % of total revenue of the Company	0.12%	0.11%

Note: Well-being costs, includes costs incurred for health insurance, accident insurance, term life insurance cost and expenses incurred towards conducting sessions such as On Call Doctor, workshop on Yoga Day etc.

2. Details of retirement benefits.

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers*	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers*	Deducted and deposited with the authority (Y/N/N.A.)
PF	75.08%	N/A	Yes	71.44%	N/A	Yes
Gratuity	100%	N/A	Yes	100%	N/A	Yes
ESI	79.55%	N/A	Yes	77.17%	N/A	Yes
Others – please specify	N/A	N/A	Yes	N/A	N/A	Yes

Note: * Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

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.

Paisalo fosters an inclusive workplace by ensuring that its offices are physically accessible to differently abled employees through supportive infrastructure. Beyond physical access, the Company promotes dignity and equal opportunity by embedding accessibility into its daily operations and employee support systems.

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.

Paisalo is dedicated to being an equal opportunity employer, fostering a workplace culture rooted in inclusion,

belonging, and a strict stance against any form of discrimination. The Company's Equal Opportunity Policy ensures fair and equal treatment for all individuals, including employees and job applicants. In line with the Rights of Persons with Disabilities Act, 2016, Paisalo is committed to creating an inclusive, non-discriminatory work environment. This policy extends to all job applicants, employees, trainees, and consultants, including those hired through direct contracts with the Company.

The complete policy can be accessed at: https://www.paisalo.in/pdf/corporate_governance/Equal_Opportunity_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	100%	100%	N/A	N/A
Female	100%	100%	N/A	N/A
Total	100%	100%	N/A	N/A

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

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

Category	Yes/No	Details of the mechanism in brief
Permanent employee	Yes	Paisalo is dedicated to cultivating a workplace that is free from prejudice, gender discrimination, and harassment. The Company upholds a strict zero-tolerance approach towards any violations. The Company has established key policies including the Code of Conduct, Whistleblower Policy/Vigil Mechanism, and Policy on Sexual Harassment at the Workplace that provide employees with confidential and anonymous channels to report concerns without fear of retaliation. Paisalo is committed to building a fair, open, and transparent culture where employees are encouraged to voice their views. Employees can directly reach out to the HR department to report concerns via email at: Headhr@paisalo.in. The Company also ensures clear communication of its policies and practices related to plans, compensation, performance metrics, incentive structures, career development, compliance, and other relevant processes.
Other than permanent employee		
Permanent workers*		N/A
Other than permanent workers*		N/A

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

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

Category	FY 2024-25			FY 2023-24		
	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						
Female						
Total						
Permanent Workers*						
Male						
Female						
Total						

Note : *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

8. Details of training given to employees and workers:

Category	FY2024-25					FY2023-24				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	3095	310	10%	2564	83%	2332	0	0	1910	81.91%
Female	83	35	42%	62	75%	77	0	0	52	67.53%
Total	3178	345	10.85%	2626	83%	2409	0	0	1962	81.44%
Permanent Workers*										
Male										
Female	N/A									
Total										

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent Employees						
Male	3095	3095	100%			
Female	83	83	100%			
Total	3178	3178	100%			
Permanent Workers*						
Male						
Female						
Total						

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

10. Health and safety management system:

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

Paisalo is committed to ensuring a safe and healthy workplace by minimizing risks related to accidents, injuries, and health hazards, in full compliance with applicable regulations. The Company conducts regular training on safety protocols, including fire safety and evacuation drills, and maintains well-equipped facilities with proper ventilation, hygiene, sanitation, emergency exits, and first aid kits. Employee well-being is further promoted through ongoing internal communications and awareness sessions that encourage healthy and safe practices-such as wearing helmets, staying hydrated, and choosing stairs over elevators.

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

In FY25, Paisalo enhanced the integration of its Environmental and Social Management System (ESMS) to proactively identify and mitigate work-related hazards. Preparedness is reinforced through fire drills, evacuation protocols, and ongoing awareness sessions. Cross-functional collaboration ensures a cohesive and effective safety framework, aligned with regulatory standards and fostering a culture of preventive vigilance.

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

Yes, Paisalo has a well-defined process for employees to report work-related hazards and to remove themselves from unsafe conditions. Concerns are escalated through a clear reporting chain-from the immediate Supervisor to the VP and then to HR. A dedicated helpline at +91 76175-55242 is also available for direct reporting. This structure ensures swift action, transparency, and a safe working environment.

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

Yes, Paisalo provides employees access to non-occupational medical and healthcare services through robust insurance offerings. These include group term life insurance, comprehensive health coverage, and accident protection, designed not only to address workplace-related risks but also to safeguard the broader health and wellness needs of employees and their families. By extending benefits beyond occupational hazards, Paisalo promotes holistic well-being and creates a support system that enables employees to thrive both professionally and personally.

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

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employee	0	0
	Worker*	N/A	N/A
Total recordable work-related injuries	Employee	0	0
	Worker*	N/A	N/A
No. of fatalities	Employee	0	0
	Worker*	N/A	N/A
High consequence work-related injury or ill-health (excluding fatalities)	Employee	0	0
	Worker*	N/A	N/A

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

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

Paisalo is committed to ensuring a safe and healthy workplace for all its employees. The Company has implemented essential safety measures across its offices, including the installation of fire extinguishers that are regularly inspected and maintained, proper ventilation systems, and provision of safe and purified drinking water to promote employee well-being.

In addition to these fundamental provisions, Paisalo fosters awareness and preparedness by conducting periodic safety drills and trainings to educate employees on emergency protocols and safety best practices. The Company also ensures that all workplace environments comply with relevant health and safety regulations to provide a secure and comfortable setting for its workforce.

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

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	N/A	0	0	N/A
Health & Safety	0	0		0	0	

Note: * Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

14. Assessments for the year:

Aspect	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Health and safety practices	Paisalo is dedicated to creating safe, hygienic, and respectful work environments that uphold the dignity of every employee. To ensure these standards are consistently met, the Company conducts regular internal audits across its offices, evaluating critical aspects of health, safety, and overall workplace conditions.
Working Conditions	

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

No corrective actions related to health and safety were required during the year under review, as there were no reported safety-related incidents.

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, Paisalo extends life insurance coverage of ₹10 lakhs to all employees, ensuring financial security for their families. This benefit remains applicable irrespective of whether the death occurs during active service or post-employment, reinforcing the Company's commitment to long-term employee welfare.

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

Paisalo is committed to upholding high standards of compliance across its value chain. The Company expects all its value chain partners to comply fully with statutory requirements, including timely deduction and deposit of applicable statutory dues. To ensure this, Paisalo incorporates compliance obligations into contractual agreements with vendors and suppliers, emphasizing transparency and accountability.

The Company's robust monitoring system includes periodic reviews and audits of value chain partners to verify adherence to statutory obligations. This approach helps mitigate compliance risks and reinforces Paisalo's commitment to responsible business conduct throughout its supply chain.

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

	Total no. of affected employees/worker		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employee	0	0	0	0
Workers*	N/A	N/A	N/A	N/A

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations.

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 provides transition assistance programs that include counseling services for departing employees to support their career planning. Additionally, the Company offers guidance and resources to help employees explore alternative re-employment opportunities, facilitating a smoother transition during retirement or termination.

5. Details on assessment of value chain partners:

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

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.

No.

IV. 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.

The Company identifies its key stakeholders as individuals or groups who are either significantly affected by its operations or could influence its activities. These stakeholders include employees, shareholders, investors, customers, channel partners, regulators, lenders, and society at large. Paisalo recognizes the influence its policies, decisions, products, services, and related operations have on these stakeholders. Accordingly, the Company actively engages with them in accordance with its established policies, practices, and processes, aiming to address any differences in a fair, just, equitable, and consistent manner, and takes corrective action when necessary.

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
Government and regulatory authorities	No	Multiple channels physical and digital through Email, Physical letter	Annual/Quarterly Need based	To update on various compliances and to seek approvals or clarifications.
NGOs	No	Multiple channels physical and digital through Email, Physical letter and in-person meeting	Need based	To undertake CSR Initiatives
Academia	No	Multiple channels physical and digital through Email, Physical letter and in-person meeting	Need based	To undertake CSR Initiatives
Employees	No	Multiple channels– physical through letters and digital through Email, website, social media groups, digital info platforms.	Daily	To share updates about the Company, its products, regulatory compliance related requirements and health & safety related information.

Customers	No	Multiple channels – physical and digital including SMS, email, Website and in person meeting.	Need based	To inform about the new financial products, change in interest rates, if any and servicing throughout the lifecycle of product and addressing queries/ grievances that the customer may have.
Suppliers	No	Multiple channels physical and digital through Email, Physical letter and in-person meeting.	Need based	To avail services/purchase supplies.
Local community	No	In- person Meetings	Need based	To undertake CSR Initiatives.
Investors	No	In- person Meetings Multiple channels– physical and digital including quarterly investor presentations, press releases and communications through Stock Exchanges etc.	Need based	To inform about the performance, major developments and other relevant updates regarding the Company.
Shareholders	No	Multiple channels– physical and digital including quarterly investor presentations, press releases and communications through Stock Exchanges etc.	Need based	To inform about the performance, major developments and other relevant updates regarding the Company.

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 feedback from such consultations is provided to the Board.

Paisalo ensures that feedback from stakeholder consultations is systematically communicated to the Board through structured discussions at Board meetings, annual general meetings, and dedicated special sessions. This enables the Board to incorporate diverse stakeholder perspectives on economic, environmental, and social issues into its strategic decision-making, thereby strengthening governance and enhancing the relevance and responsiveness of long-term business strategies.

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 input received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes, Paisalo regularly engages with stakeholders including customers, employees, investors, and community representatives to identify material ESG issues. Inputs gathered from these consultations contribute to the ongoing development of the Company's sustainability policies and operational initiatives. This helps ensure that Paisalo's activities are aligned with community needs and environmental responsibilities.

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

Paisalo has undertaken a range of CSR initiatives aimed at uplifting diverse segments of society, with particular emphasis on the underrepresented, economically disadvantaged, and marginalized communities. These efforts focus on enabling access to essential services such as healthcare, education, financial literacy to promote inclusive growth.

V. Principle 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	3178	3178	100%	2409	0	0%
Other than permanent	0	0	0	0	0	0%
Total Employees	3178	3178	100%	2409	0	0%
Workers*						
Permanent						
Other than permanent						
Total Workers						

Note: Paisalo Digital does not employ any permanent or contractual workers

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

	FY 2024-25					FY 2023-24				
Category	Total (A)	Equal to Minimum Wage		More than minimum Wage		Total (D)	Equal to Minimum Wage		More than minimum wage	
		No. (B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
Employees										
Permanent										
Male	3095	11	0.36%	3084	99.64%	2332	6	0.26%	2326	99.74%
Female	83	0	0.00%	83	100.00%	77	0	0	77	100%
Other than Permanent										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Total Employees	3178	11	0.36%	3178	99.66%	2409	6	0.25%	2403	99.75%
Workers*										
Category	Total (A)	Equal to Minimum Wage		More than minimum Wage		Total (D)	Equal to Minimum Wage		More than minimum wage	
		No. (B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
Permanent										
Male										
Female										
Other than Permanent										
Male										
Female										

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

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

Median remuneration/wages

Category	Male		Female	
	Number	Median remuneration/salary/wages of respective category (in INR lacs)	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	9	156	1	0 [#]
Key Managerial Personnel (KMP)	1	18.70	0	0
Employees other than BoD and KMP	3083	2.70	83	2.70
Workers*	N/A			

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

[#] There is only 1 female independent director on board, and she has not been paid any remuneration during the year.

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

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	6%	3%

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, Paisalo has appointed a Whistle Officer/Committee that serves as the central authority for addressing issues related to human rights. The committee ensures that all concerns are investigated impartially and confidentially, reinforcing the Company's commitment to ethical conduct and employee protection.

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

Paisalo has established a dedicated committee to address Human Rights-related grievances, as outlined in its Grievance Redressal Policy for employees. This mechanism, along with provisions under the Vigil Mechanism Policy, ensures that all complaints are handled confidentially and can be reported anonymously without fear of retaliation. As an organization, Paisalo is committed to maintaining a safe, respectful, and inclusive workplace, free from violence, harassment, intimidation, or any form of unsafe or disruptive behavior, whether arising from internal or external sources. Paisalo maintains zero tolerance towards all forms of slavery, forced or coerced labor, child labor, human trafficking, and any physical, sexual, psychological, or verbal abuse. In line with this commitment, Paisalo strictly refrains from hiring or engaging with any employee, agent, or vendor who is not acting of their own free will.

Employees can directly reach out to the HR department to report concerns via email at: headhr@paisalo.in.

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

Aspect	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

Note: *Paisalo Digital Limited does not employ any permanent or contractual workers considering the nature of business operations

[#] There is only 1 female independent director on board, and she has not been paid any remuneration during the year.

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

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees /workers	0	0
Complaints on POSH upheld	0	0
Other human rights related issues	0	0

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

Yes, Paisalo's Whistle Blower and Vigil Mechanism policies ensure protection for individuals reporting suspected violations of the Company's Code of Conduct, including cases related to discrimination and harassment. All complaints made in good faith are handled with strict confidentiality, and comprehensive safeguards are in place to prevent any form of retaliation or victimization of anyone who utilizes this mechanism.

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

No, This has not yet been implemented but Paisalo is in the process of implementing Human Rights Policy commitments. Even though human rights requirements are not currently included in business agreements and contracts, Paisalo values human rights and incorporates them into its business practices. Paisalo is committed to developing a Human Rights Policy to ensure that its business operations respect human rights.

10. Assessments of the year

Aspects	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	Nil
Forced labor	
Sexual harassment	
Discrimination at workplace	

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

N/A

Leadership Indicators

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

During the reporting period, no business processes have been modified or introduced for addressing human rights grievances/complaints.

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

Paisalo places high importance on upholding human rights, integrating these values into daily business conduct and employee engagement. The Company has a robust Whistleblower Policy that allows employees to confidentially raise concerns directly with the HR Team or senior officials. All reported matters are diligently tracked by the HR Department to ensure timely resolution and accountability.

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, all Paisalo premises are accessible to differently abled visitors, in alignment with the Rights of Persons with Disabilities Act, 2016. This includes supportive infrastructure and designated assistance protocols to ensure ease of movement and dignified access throughout their visit.

4. Details on assessment of value chain partners:

Human rights	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	NIL

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

No corrective actions related to above mentioned parameters was necessitated by the Company during the year under review.

VI. 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:

Parameter	Unit	FY 2024-25	FY 2023-24
From renewable sources (in gigajoules)			
Total electricity consumption (A)	GJ	0	0
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
Total energy consumption from renewable sources (A+B+C) (GJ)	GJ	0	0
From non - renewable sources (in gigajoules)			
Total electricity consumption (D)	GJ	9,649.56	7,914.69
Total fuel consumption (E)	GJ	70,169.61	50,586.37
Energy consumption through other sources (F)	GJ	0	0
Total energy consumption from non- renewable sources (D+E+F) (GJ)	GJ	79,819.17	58,501.06
Total energy consumption (A+B+C+D+E+F) (GJ)	GJ	79,819.17	58,501.06
Energy intensity per rupee of turnover (Total energy consumption in GJ/ turnover in rupees in Crores)	GJ/Mn (INR)	10.86	7.96
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	GJ//\$PPP	0.52	0.39*
Energy intensity in terms of physical output	-	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: The PPP rate utilized for all data within the BRSR Report has been sourced from the International Monetary Fund (IMF) Fiscal Year 2024 & 2025 data. The energy intensity of FY 2024 has been re-instated using IMF data.

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.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis

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

Not applicable, as the Company does not fall under the energy-intensive industry as specified in the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water

Parameter	Unit	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)			
(i) Surface water	KL	0	0
(ii) Groundwater	KL	1,480.65	1,150.36
(iii) Third party water	KL	769.92	545.33
(iv) Seawater/desalinated water	KL	0	0
(v) Others	KL	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	KL	2,250.57	1,695.69
Total volume of water consumption (in kilolitres)	KL	2,164.22	1,633.30
Water intensity per rupee of turnover (Water consumed/turnover)	KL/Mn (INR)	0.29	0.22
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	KL/\$PPP	0.013	0.011*
Water intensity in terms of physical output	-	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: *The water intensity of FY 2024 has been re-instated using IMF data.

4. Provide the following details related to water discharged:

Parameter	Unit	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)			
(i) To Surface water	KL	0	0
-No treatment	KL	-	-
-With treatment – please specify level of treatment	KL	-	-
(ii) To Groundwater	KL	-	-
-No treatment	KL	-	-
-With treatment – please specify level of treatment	KL	-	-
(iii) To Seawater	KL	-	-
-No treatment	KL	-	-
-With treatment – please specify level of treatment	KL	-	-
(iv) Sent to third-parties	KL	-	-
-No treatment	KL	-	-
- With treatment – please specify level of treatment	KL	-	-
(iv) Others	KL	-	-
-No treatment	KL	2,164.22	-
- With treatment – please specify level of treatment	KL	-	-
Total water discharged (in kilolitres)	KL	2,164.22	-

Note: *Total water discharged is assumed to be equal to consumption.

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.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable as the water is only used for human consumption (drinking and sanitation) All water discharge is managed through a centralized system.

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

Parameter	Unit	FY 2024-25	FY 2023-24
NOx	-		
SOx	-		
Particulate Matter (PM)	-		
Persistent organic pollutants	-	Considering the nature of business operations, this is N/A	
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others – please specify	-		

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.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis

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

Parameter	Unit	FY 2024-25	FY 2023-24
Scope 1	Metric tons of CO2 equivalent	170.27	165.73*
Scope 2	Metric tons of CO2 equivalent	626.35	515.50*
Total	Metric tons of CO2 equivalent	796.62	601.23*
Total Scope 1 and Scope 2 emissions per rupee of turnover	tcO2/Mn	0.11	0.11*
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)	tcO2 / \$PPP	0.005	0.005*
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: *The figures for FY2024 have been restated post year end reconciliation. Scope 1 emissions are calculated based on the fuel consumption of vehicles deployed for Paisalo's business operations. Scope 2 calculations are from the electricity consumption. Further, Scope 1 and 2 calculations are undertaken using guidelines and emissions factors prescribed by globally accepted frameworks and standards such as GHG Protocol and Emissions factor from IPCC & DEFRA.

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.

There is no Independent Assessment done. All the required statutory and internal inspections/audits are carried out on a periodic basis

8. Does the entity have any project related to reducing Greenhouse Gas emission? If yes, then provide details.

Paisalo does not currently have a specific project dedicated solely to reducing Greenhouse Gas (GHG) emissions. However, the Company has taken several measures to promote environmental sustainability within its operations, including:

- Reduction and Reuse of Paper: Paisalo has consistently worked towards minimizing paper usage across its business operations over the years. In addition, efforts are made to reuse and recycle paper wherever feasible.

- **Energy-Efficient Office Infrastructure:** The Company's registered and head office premises are designed to maximize natural lighting and reduce dependency on artificial lighting. Energy-efficient and star-rated electrical equipment are used to optimize power consumption, thereby conserving natural resources and indirectly contributing to GHG reduction.
- **Use of Ozone-Friendly Appliances:** Paisalo has installed ozone-friendly air conditioners using R32 refrigerants, which significantly lower carbon emissions.
- **Product-Level Contribution to GHG Reduction:** The Company has designed and launched loan products specifically for the financing of electric vehicles (EVs). This initiative supports India's vision of a Clean and Green future and aims to promote sustainable mobility, especially in rural and semi-urban areas. It also aligns with the Government of India's target of making transportation 100% electric by 2030.

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

Parameter	FY 2024-25	FY 2023-24
Total waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	0.07	0.06
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H).	-	-
Total (A+B + C + D + E + F + G + H)	0.07 MT	0.06
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	9.52 MT/Mn	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	0.46 MT/\$PPP	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category	FY 2024-25	FY 2023-24
(i) Recycled	-	0
(ii) Re-used	-	0
(iii) Other recovery operations	-	0.06
Total	0.07	0.06
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste	FY 2024-25	FY 2023-24
(i) Incineration:	-	0
(ii) Landfilling	-	0
(iii) Other disposal operations	-	0
Total	-	0

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.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis

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.

As a financial services provider, Paisalo does not generate any hazardous or toxic waste due to the nature of its business. The Company actively minimizes the use of plastic bottles, disposable cutlery, cups, plates, and spoons, and completely avoids single-use plastics. Food waste is managed and disposed of by the designated authority, i.e., the Municipal Corporation. Additionally, paper napkins have been replaced with reusable cotton napkins to encourage sustainability.

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:

Not Applicable. The Company does not have any operations or offices located in or around ecologically sensitive areas such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, or coastal regulation zones that would require environmental approvals or clearances. Additionally, the Company remains in full compliance with the applicable environmental regulations, and no observations, fines, penalties, or actions have been imposed by any regulatory authority in this regard.

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

The Company does not have any offices in ecologically sensitive areas, hence this indicator is 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:

Serial Number	Specify the law/regulation /guidelines which was not complied with	Provide details of the noncompliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
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Yes, the Paisalo has complied with all applicable environmental laws, regulations, and guidelines in India. No fines, penalties, or actions have been initiated against the Company under any of these environmental provisions.

Leadership Indicators

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

Not Applicable – Paisalo does not operate in areas of water stress.

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

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	We are currently evaluating our Scope 3 emissions, and the findings will be disclosed in our FY2026 Sustainability Report.	-
Total Scope 3 emissions per rupee of turnover	Metric tons of CO ₂ equivalent		-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tons of CO ₂ equivalent		-

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.

There is no Independent Assessment done. All the required statutory and internal inspections/ audits are carried out on a periodic basis.

3. With respect to the ecologically sensitive areas reported at Question 11 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.

No operations in ecologically sensitive areas and therefore no impacts to report or remediation 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
N/A			

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

Yes, Paisalo has established a robust Business Continuity and Disaster Management Plan that safeguards operational resilience. This framework ensures seamless service delivery, especially during unforeseen events, thereby reinforcing our commitment to supporting underserved communities without disruption.

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?

Paisalo is engaged in the financial products and services sector and, therefore, does not have any significant adverse impact to the environment, arising from the value chain, hence this is Not Applicable.

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

Considering the nature of business operations of Paisalo, this is Not Applicable.

8. How many green credits have been generated or procured:

By the listed entity: Paisalo has not procured nor generated any green credit during the year.

By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Not ascertained.

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.

Three.

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

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Finance Industry Development Council (FIDC)	National
2	National Chamber of Commerce	National
3	Delhi Hire Purchase & Leasing Companies Associations	State

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.

No corrective actions were required during the year under review, as there were no instances of anti-competitive conduct involving the Company.

Leadership Indicators

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

There are no public policy positions that have been advocated by the Company.

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.

Since our CSR spent for the FY does not constitute us to undertake an SIA, hence this is Not Applicable.

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

Since the Company operates in the financial services sector, it has not engaged in any rehabilitation or resettlement projects; hence, this is Not Applicable.

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

The Company has instituted a structured grievance redressal mechanism to address and resolve disputes arising within the organization. This framework ensures that grievances related to decisions taken by functionaries are escalated and addressed at least at the next higher level of authority. A response to any complaint is to be provided within a maximum period of one month from the date of receipt, except in cases where the nature of the complaint necessitates verification of extensive facts and data. The Board periodically reviews the implementation of the Fair Practices Code and oversees the functioning of the grievance redressal mechanism across various levels of management.

- Grievance Redressal Officer (GRO)

Name	Address	Contact No. and Email
Mr. Anurag Sinha	CSC, Pocket 52, CR Park, Near Police Station, New Delhi-110019	Mob. No. 9837727603 Ph.No - 01143518888 Fax No 01143518816 Email ID- anurag.sinha@paisalo.in

- The Company shall display at all its branches/places where business is transacted the above details of Grievance Redressal Officer viz. contact details (Telephone/Mobile nos. as also email address) who can be approached by the public for resolution of complaints against the Company.
- If the complaint/dispute is not redressed within a period of one month, the customer may appeal to the Officer- in Charge as per the below mentioned contact details:

Name	Address	Contact No. and Email
The Manager, (Department of Non-Banking Supervision), Reserve Bank of India	6, Sansad Marg, RBI Building, P.B. no. 123, New Delhi-110001	Ph. No 011-23714456 Fax No 011-23713672 Telex. No 031-66361

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

Name	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers		
Sourced directly within India		Not applicable

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

Location	FY 2024-25	FY 2023-24
Rural	63%	56%
Semi-urban	21%	29%
Urban	9%	9%
Metropolitan	7%	6%

Note: The above categorization is made by mapping the Company's offices and branches to the total population of corresponding districts as per the 2011 Census Data (<https://censusindia.gov.in/census.website/data/census-tables>).

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):

Since the Company operates in the financial services sector, hence SIA is not applicable

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

Sr.No.	State	Aspirational District)	Amount Spent in (INR million)
1.	Distribution of Laptops, Tablets & Cycles (Uttar Pradesh and Jharkhand)	Lucknow and Deoghar	12.09
2.	Aid for medical treatment (Uttar Pradesh)	Ayodhya	0.22
3.	Distribution of Food (Uttar Pradesh, Madhya Pradesh)	Ayodhya and Datia	5.64
4.	Aid for treatment of physically disabled (Rajasthan)	Udaipur	4.35
5.	Financial Support for Eye Surgeries of Homeless senior citizens (Delhi)	Delhi	0.18
6.	Financial support to upgrade the technology and parts required manufacturing of prosthesis (Uttar Pradesh)	Muradnagar	2.10
7.	Free education of kids in poorest slums (Uttar Pradesh & Rajasthan)	Ghaziabad & Jodhpur	2.50
8.	Sponsorship for underprivileged students (Rajasthan)	Aburoad	5.00
	Total		32.08

The Company has undertaken various CSR activities amounting to INR. 32.08 million for the FY24-25, covering areas such as food distribution, medical treatment and free education. However, none of these projects were directly focused on designated aspirational districts as identified by government bodies.

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

Paisalo operates in the financial services sector and, as such, does not engage in significant procurement from suppliers belonging to marginalized or vulnerable groups.

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

Paisalo operates in the financial services sector and, as such, does not engage in significant procurement from suppliers belonging to marginalized or vulnerable groups.

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

Paisalo operates in the financial services sector and, as such, does not engage in significant procurement from suppliers belonging to marginalized or vulnerable groups.

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:

Paisalo operates in the financial services sector and, as such, does not have any benefits derived and shared from the intellectual properties, hence it is 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.

Not Applicable – The Company has not been involved in any intellectual property-related disputes involving the usage of traditional knowledge.

6. Details of beneficiaries of CSR Projects:

SL. No.	CSR Project	No of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1.	Distribution of Laptops, Tablets & Cycles (Uttar Pradesh and Jharkhand)	812	100%
2.	Aid for medical treatment (Uttar Pradesh)	7	100%
3.	Distribution of Food (Uttar Pradesh, Madhya Pradesh)	187927	100%
4.	Aid for treatment of physically disabled (Rajasthan)	435	100%
5.	Financial Support for Eye Surgeries of Homeless senior citizens (Delhi)	245	100%
6.	Financial support to upgrade the technology and parts required manufacturing of prosthesis (Uttar Pradesh)	33	100%
7.	Free education of kids in poorest slums (Uttar Pradesh & Rajasthan)	2000	100%
8.	Sponsorship for underprivileged students (Rajasthan)	240	100%

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

Essential Indicators

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

The Company has a code for dealings with its customers complaints. Company deals with its customers in a professional, fair and transparent manner.

The complaints can be raised through the following modes:

1. Customers can raise complaints/requests by calling the Call Centre/Branch/Head Office/Registered Office.
2. Customers can raise complaints/requests by sending e-mail to the designated Customer Care/Grievances mail IDs.

All the issues raised by customers through various modes such as Call centre/Branch/emails/ letters etc., are redressed by the Branches. In case of delay in redressal of complaint by the Branch, then the same is tried to be redressed in the following manner:

1	Regional Manager tries to redress the complaints if the complaint is not redressed at branch level.
2	If Regional Manager is unable to redress the complaints, then complaint is referred to Zonal Business Head for redressal.
3	If the complaint is still pending, then its goes to Grievance Redressal officer for appropriate resolution.

The Company responds to the customer within a maximum period of 30 days from the date of receipt of the complaint. If the customer has not received any response within 30 days or if the customer is not satisfied with the response, then he/she can raise a complaint with the Reserve Bank of India (RBI) either through:

- RBI CMS Portal or RBI Contact Centre as given below: – RRBI CMS Portal: <https://cms.rbi.org.in>
- RBI Contact Centre Phone Number: 14440
- RBI Postal Address: Reserve Bank of India Centralised Receipt and Processing Centre, 4th Floor, Sector 17, Chandigarh – 160017

For the customer's feedback Company has a two-sided communication policy where customers can give their response through personal communication with Company's personnel or in writing by email or letters to the Company's officers.

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
Environmental and social parameters relevant to the product	
Safe and responsible usage	The nature of Paisalo's business, being involved in financial services sector, hence this is not applicable
Recycling and/or Safe Disposal	

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

	FY 2024-25		Remarks	FY 2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	None	0	0	None
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	0	0		0	0	

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

Aspect	Number	Reason for Recall
Voluntary recall /Mock recall		N/A
Forced recall		

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 an Information Technology Policy that covers Cyber Security, Data Privacy, and Outsourcing of IT services. A separate Data Privacy Policy is also in place and available on the Company's website.

The Company is ISO/IEC 27001:2013 certified for its Information Security Management System and complies with applicable regulatory requirements, including the RBI's Master Direction – Information Technology Framework for the NBFC sector.

Policy link: https://paisalo.in/home/privacy_policy

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

There was no instance to take corrective actions or circumstances 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 and there was no penalty-imposed action also taken by regulatory authorities on safety of products/services.

7. Provide the following information relating to data breaches:

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

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed

The primary financial products and services offered by Paisalo are available on the Company's website: <https://www.paisalo.in/>. Other mode of communication like Emails , Advertisements & F2F connect with Relationship Managers are also available.

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

Paisalo offers loans such as MSME Loans, Vehicle Loans, and Small Income Generation Loans to underserved communities in India. The Company fully complies with all disclosure requirements related to its services. To ensure customer safety, it actively uses its website and newsletters to educate and guide customers on safeguarding themselves against financial fraud.

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

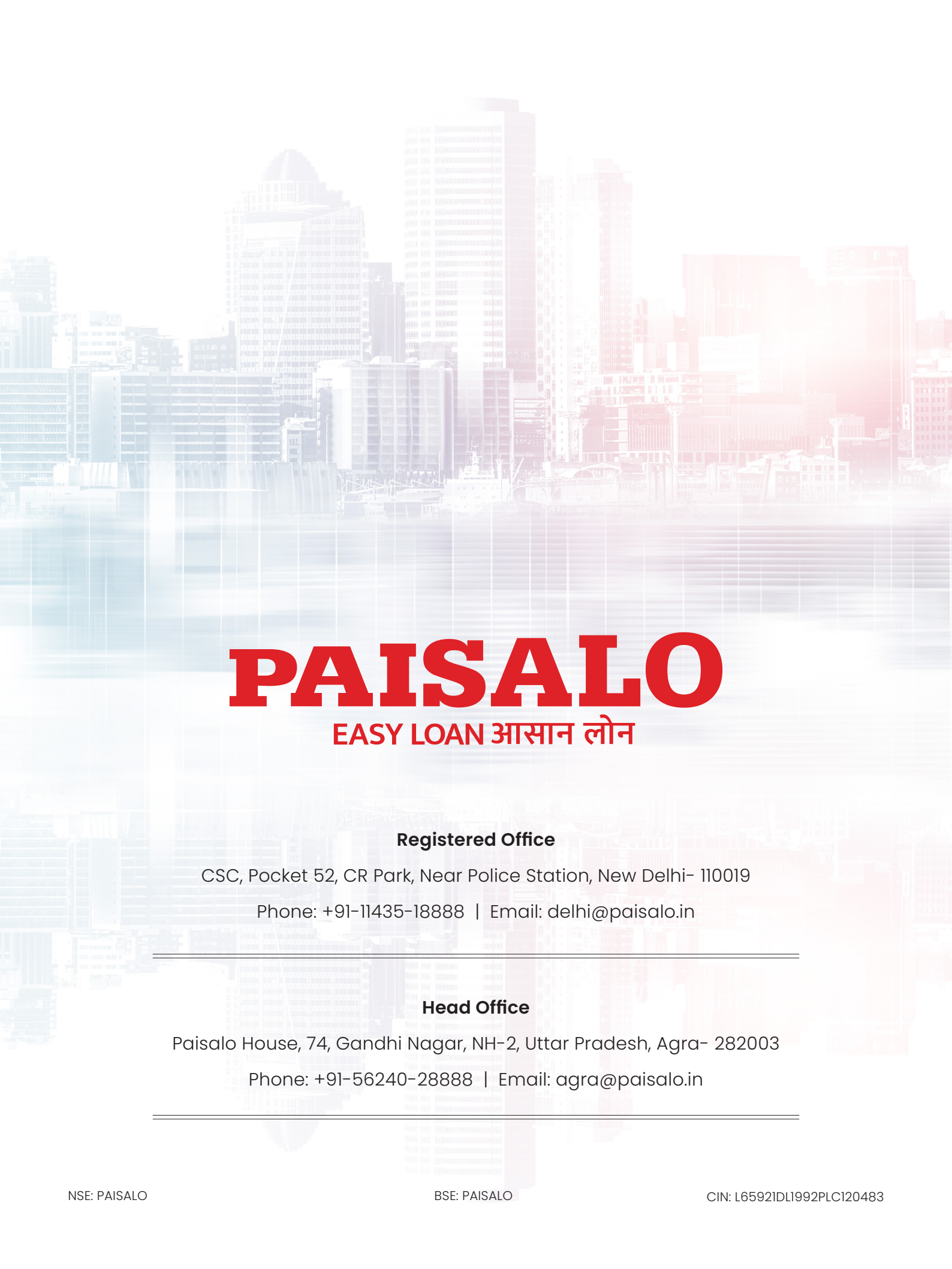
Paisalo ensures continuous consumer awareness by actively communicating product-related risks and benefits through regular Emails, SMS alerts, and engaging social media updates. This multi-channel approach helps customers make informed decisions while fostering transparency and trust.

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.

Yes, Paisalo maintains transparency across all aspects of its loan offerings. All terms and conditions related to the loans are clearly outlined in the documents provided to customers. Additionally, the Company's website offers comprehensive information on the various types of loans and their respective ticket sizes.

5. 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)

Paisalo consistently places customer interests at the forefront of its business practices, regularly conducting satisfaction surveys and feedback analyses to improve service quality and enhance customer experience.



PAISALO

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