

Business Responsibility and Sustainability Report ("BRSR")

SECTION A- GENERAL DISCLOSURES

I. Details of the Company

S. No.	Question	Responses
1.	Corporate Identity Number (CIN) of the Listed Entity	L64200HP1987PLC007466
2.	Name of the listed entity	HFCL Limited
3.	Year of incorporation	11/05/1987
4.	Registered Office Address	8, Electronics Complex, Chambaghat, Solan, Himachal Pradesh-173213
5.	Corporate Address	8, Commercial Complex, Masjid Moth, Greater Kailash- II, New Delhi-110048
6.	E-mail	secretarial@hfcl.com
7.	Telephone	+91-11-35209400
8.	Website	www.hfcl.com
9.	Financial year for which reporting is being done	April 1, 2023- March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	Paid-up Capital	₹144.10 Crore
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: Mr. Manoj Baid Email: secretarial@hfcl.com Telephone: +91-11-35209400
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)	Standalone
14.	Name of the assurance provider	Not Applicable
15.	Type of the assurance obtained	Not Applicable

II. Product/ Services

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

S. No.	Description of main activity	Description of business activity	% of turnover of the entity
1.	Telecom Products	Manufacturing of optical fiber, optical fiber cables and telecom & networking products	34.73%
2.	Turnkey Contract and Services	Engineering, Procurement and Construction Services	65.27%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. no.	Product/Service	NIC Code	% of total turnover contributed
1.	Optical Fiber cables	27310	27.30%
2.	Turnkey Contracts and Services	42202	65.27%
Total			92.57%

Footnote: 7.43% is contributed by manufacturing of other products (excluding OFC manufacturing) under the activity telecom products.



III. Operations

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

Location	Number of plants	Number of offices	Total
National	3	81	84
International	0	9*	9

*Including the offices of subsidiaries.

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States/ Union Territories)	Pan India
International (No. of Countries)	HFCL exports its products to over 45 countries, including Germany, France, Denmark, Ireland, Austria, Finland, Italy, United Kingdom (UK), Portugal, Spain, USA, Canada, Mexico, Argentina, South Africa, Turkey, United Arab Emirates (UAE), and more.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

During FY2023-24, exports contributed 11% to the total turnover of the Company.

c. A brief on type of customers

HFCL is a leading technology company specialising in creating digital networks for telecommunications companies, enterprises, and government entities. Our diverse customer base includes Telecom Operators, Internet Service Providers, Public Sector Undertakings, State Government Undertakings, System Integrators, Railways, Defense Services, and more. The Company has state-of-the-art Optical Fiber and Optical Fiber Cable manufacturing plants in Hyderabad, and an Optical Fiber Cable manufacturing plant in Goa.

IV. Employees

20. Details as on March 31, 2024:

a. Employees and Workers

S. Particulars No.	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees					
1. Permanent employees	1,929	1,803	93%	126	7%
2. Other than permanent employees	332	325	98%	7	2%
3. Total employees (1+2)	2,261	2,128	94%	133	6%
Workers					
4. Permanent workers	185	160	86%	25	14%
5. Other than permanent workers	1,101	1,035	94%	66	6%
6. Total Workers (4+5)	1,286	1,195	93%	91	7%

- Permanent Employees- L5 and above on-roll employees
- Other than Permanent Employees – Trainee (BE & Graduate) engineers under various government scheme such as NAPS, NATS and off-roll employees on third-party rolls.
- Permanent Workers – L6 and L7, on-roll employees
- Other than Permanent Workers- Trainee (Diploma & ITI) engineers under various government schemes such as NAPS, NATS and off-roll employees on third-party rolls.

b. Differently abled Employees and Workers:

S. Particulars No.	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees					
1. Permanent	1	1	100%	0	0.0%
2. Other than permanent	0	0	0.0%	0	0.0%
3. Total employees (1+2)	1	1	100%	0	0.0%
Differently Abled Workers					
4. Permanent	0	0	0.0%	0	0.0%
5. Other than permanent	0	0	0.0%	0	0.0%
6. Total Workers (4+5)	0	0	0.0%	0	0.0%

21. Participation/ Inclusion/ Representation of women

	Total (A)	Number of Female (B)	Percentage (B/A)
Board of Directors	7	1	14%
Key Management Personnel*	2	0	0%

*Excluding Managing Director who has been included in Board of Directors category.

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY2023-24			FY2022-23			FY2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	14.0%	1.0%	15.0%	17.0%	0.6%	17.6%	15.3%	0.2%	15.5%
Permanent workers	0.5%	0.2%	0.7%	22.0%	0.4%	22.4%	10.8%	0.2%	11.0%

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

23. Names of holding/subsidiary/associate companies/joint ventures

S. Name of the holding/subsidiary/associate companies/ No. joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicate at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1 HTL Limited	Subsidiary	74%	No
2 Raddef Private Limited	Subsidiary	90%	No
3 Moneta Finance Private Limited	Subsidiary	100%	No
4 HFCL Advance Systems Private Limited*	Subsidiary	100%	No
5 Polixel Security Systems Private Limited	Subsidiary	100%	No
6 Dragonwave HFCL India Private Limited	Subsidiary	100%	No
7 HFCL Technologies Private Limited	Subsidiary	100%	No
8 HFCL B.V. Netherlands	Subsidiary	100%	No
9 HFCL Inc. USA	Subsidiary	100%	No
10 HFCL Canada Inc. (w.e.f. October 26, 2023)#	Step-down subsidiary	100%	No
11 Blue Diwali Sp. z.o.o.** (w.e.f. May 17, 2024)	Step-down subsidiary	100%	No
12 HFCL UK Limited*** (w.e.f. July 05, 2024)	Step-down subsidiary	100%	No
13 Nimpaa Telecommunications Private Limited	Associate	50%	No
14 BigCat Wireless Private Limited	Associate	40.79%	No

Note: *HFCL Limited holds 90% shareholding directly and balance 10% held through Polixel Security Systems Private Limited, a wholly owned subsidiary of HFCL Limited.

**HFCL B.V., a wholly owned subsidiary of HFCL Limited in Netherlands, has acquired 100% stake in Blue Diwali Sp. z.o.o., a company registered in state of Warsaw, Poland. Consequently, Blue Diwali Sp. z.o.o., has become a wholly owned subsidiary of HFCL B.V., and also a step-down wholly owned subsidiary of the Company w.e.f. May 17, 2024

***HFCL B.V., a wholly owned subsidiary of HFCL Limited in the Netherland, has established a wholly owned subsidiary company namely HFCL UK Limited in the United Kingdom (UK). Consequently, HFCL UK Limited has also become a step down wholly owned subsidiary of the Company w.e.f. July 05, 2024.

HFCL B.V., a wholly owned subsidiary of HFCL Limited in the Netherlands, has established a wholly owned subsidiary company namely HFCL Canada Inc. in Canada. Consequently, HFCL Canada Inc. has also become a step down wholly owned subsidiary of the Company w.e.f. October 26, 2023.

**VI. CSR Details**

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

ii) Turnover (in ₹): 4,074.59 Crore

iii) Net worth (in ₹): 3,821.70 Crore

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	Current FY2023-24			Previous FY2022-23		
		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. The duty for handling community grievances is delegated to the CSR Project Partners in the Memorandum of Understanding (MoU), who efficiently manage the complaints, if any, in a collaborative way in accordance with the laid-down guidelines.	0	0	No Complaints filed.	0	0	No Complaints filed.
Investors and Shareholders	Yes. The Company has 'Whistleblower Policy' in place available at: https://www.hfcl.com/wp-content/uploads/2020/01/HFCL-Whistle-Blower-Policy-Revised1.pdf Mechanism for Grievance Redressal: The Company has a grievance redressal procedure in place to handle complaints from various stakeholders, such as investors and shareholders. During the year, the Company has responded to investor grievances/correspondence within 15 days of receipt of the same except in cases which were constrained by disputes and legal impediments.	60	0	All Complaints Resolved.	40	0	All Complaints Resolved.
Employees and Workers	Yes. Employee and extended workforce grievances are addressed in a timely and effective manner through our grievance redressal mechanism, available at all our plants/offices.	0	0	No Complaints filed.	1	0	All Complaint Resolved.
Contract Labourer's		0	0	No Complaints filed.	0	0	No Complaints filed.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	Current FY2023-24			Previous FY2022-23		
		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
Customers	<p>At HFCL, we have a structured system for handling customer complaints, which allows customers to provide feedback or complaints via email to their assigned account manager or the designated plant complaint management representative. Resolutions are completed within defined time frames that correspond to the nature and urgency of each complaint.</p> <p>The policy related to the customer grievances is available on Company's website- https://www.hfcl.com/wp-content/uploads/2021/12/HFCL-F08-06-14-Customer-Complaint-Form_Rev-01.pdf</p>	0	0	No Complaints filed.	0	0	No Complaints filed.
Value Chain Partners	<p>Yes. Complaints are filed with their respective account managers within the OFC Business Unit (BU). These issues receive immediate attention and are resolved within 24-hours. The Communication BU addresses these concerns within a set time limit, namely 12 hours. If an issue remains unresolved for whatever reason, an escalation matrix with a third level has been established. This ensures that the matter is resolved at that level within 48 hours.</p> <p>Dedicated email (iosupport@hfcl.com) and a Toll-Free Number (+91 8792701100) is provided for registering complaints. The email of SPOC has been also provided. (naresh.gupta@hfcl.com)</p>	4	0	All Complaints resolved.	1	0	Complaint Resolved.
Implementation Partner (NGOs)	<p>Yes. The mechanism for raising, addressing, and resolving grievances/issues with partners is clearly defined in each MoU with our CSR Project partner.</p>	0	0	No Complaints filed.	0	0	No Complaints filed.

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No. identified	Material issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity.	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Innovation Management	Opportunity	The Company emphasises creating a supportive environment and enhancing investment in Research & Development (R&D) to innovate products, services, and solutions. The innovation management offers a competitive edge by differentiating products, driving expansion and growth through new revenue streams, and improving operational efficiency. This approach ensures long-term success and adaptability in a changing market.	-	Positive
2	Data Privacy and Cyber Security	Risk and Opportunity	Ensuring the security of sensitive and confidential information, along with respecting individuals' rights to control the collection, use, and sharing of their personal data, are crucial priorities. Being a tech driven Company, ensuring data security are the top priorities to safeguarding sensitive information and honouring individuals' rights of data privacy.	Implementing measures and processes that are specifically designed to secure, protect, and safeguard information at every level is a top priority for our Company. We strictly collect only relevant information intended for business purposes in a secure manner. Our Company maintains an IT management system which is ISO/IEC 27001:2013 and ISO/IEC 27701:2019 certified. We have required policies and frameworks in place to govern and oversee data security practices comprehensively. Additionally, we conduct regular checks for regulatory compliance, update existing policies and frameworks as needed, and conduct risk awareness sessions to ensure robust data security measures are in place.	Negative
3	Employee Growth, Training, and Learning & Development	Opportunity	The Company endeavours to offer employees opportunities to improve their skills, knowledge, and capabilities through training, education, and professional development programs. HFCL is committed to the advancement and well-being of its workforce by focusing on employee growth and development as part of our social responsibility.	-	Positive

S. No. identified	Material issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity.	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Climate Change	Risk	ESG disclosures bring clarity to the Company's climate risk exposure, detailing the strategies used to mitigate and adapt to these challenges. This encompasses supply chain disruptions, operational risks, and asset management complexities due to extreme weather events. These risks can increase costs, while transition risks may decrease market value and investor confidence amid regulatory changes.	HFCL prioritises its strategies and actions to mitigate climate change related risks and to anchor for sustainable development.	Negative
5	Sustainable Supply Chain	Risk & Opportunity	The Company acknowledges that risks of supply chain disruption may arise from factors such as climate change, geopolitical factors, or shortages in raw materials.	The Company's vertical and horizontal integration business model ensures a consistent and optimised supply chain, enhancing efficiency and reducing costs. The Company is building resilience by implementing sustainable practices to combat climate change, diversifying suppliers to reduce geopolitical stresses and obtaining alternate sources to handle raw material shortages.	Positive
6	Occupational Health and Safety	Risk & Opportunity	HFCL strives to protect its stakeholders, including employees, customers, and business partners, from various risks and hazardous environments. We are committed to creating a safe and healthy workplace for everyone.	The Company ensures to maintain a safe, hazard free and healthy work environment for its employees and workers by adhering to healthy standards, norms, regular safety training and risk awareness sessions.	Negative
7	Waste Management	Opportunity	Waste management encompasses generation, segregation, disposal, and the related impacts. The Company focuses on minimising waste generation by implementing source reduction strategies. This includes practices such as reducing packaging, optimising processes, and promoting recyclability, reusability of products, thereby adopting circularity measures within business operations.	HFCL complies with all regulatory requirement applicable for management of hazardous and non-hazardous waste.	Positive



S. Material issue No. identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity.	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)	
8	Diversity and Inclusion	Opportunity	HFCL strive to establish an environment that is inclusive, respectful, and empowering for individuals from a variety of socio-economic backgrounds, cultures, identities, and perspectives. Our organisation is dedicated to cultivating a just and equitable society and workplace by prioritising diversity and inclusion.	-	Positive

SECTION B- MANAGEMENT AND PROCESS DISCLOSURES

Principles of National Guidelines on Responsible Business Conduct

- P1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.
- P2 - Businesses should provide goods and services in a manner that is sustainable and safe.
- P3 - Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4 - Businesses should respect the interests of and be responsive to all its stakeholders.
- P5 - Businesses should respect and promote human rights.
- P6 - Businesses should respect and make efforts to protect and restore the environment.
- P7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P8 - Businesses should promote inclusive growth and equitable development.
- P9 - Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)*	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.hfcl.com/company-facts								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	At HFCL, the appropriate policies are triggered down value chain partners as deemed to enhance resource efficiency and drive community development and engagement initiatives.								

*The policies are reviewed and approved by Board of Directors of the Company or Company's Head of Departments and signed off by MD, as deemed appropriate.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<p>4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</p>	<ul style="list-style-type: none"> • ISO 9001:2015 – Quality Management System at Corporate Office at Delhi, Goa Plant, Hyderabad Plant and Solan Plant. • TL9000:2016 – Quality Management System (Telecom Industry specific) at Goa Plant and Hyderabad Plant. • ISO 10002:2018 – Complaint Management System, Quality management at Goa Plant and Hyderabad OF Plant. • ISO 14001:2015 – Environmental Management System at Goa Plant, Hyderabad Plant and Solan Plant. • ISO 45001:2018 – Occupational Health and Safety Management System at Goa Plant, Hyderabad Plant, and Corporate Office at Delhi. • ISO/IEC 27001:2013 – Information Technology — Security Techniques — Information Security Management systems —at Corporate Office at Delhi, Gurugram Office, Goa Plant and Hyderabad Plant. • ISO/IEC 27701:2019 – Privacy Information Management System (PIMS) at Goa Plant, Hyderabad Plant, Corporate Office at Delhi, and Gurugram Office. • ISO/IEC 20000-1:2018 – Information Technology – Service Management System at Goa Plant, Hyderabad Plant, Corporate Office at Delhi and Gurugram Office. • ISO/IEC 17025:2017 – General Requirements for the Competence of Testing & Calibration Laboratories at Goa Plant and Hyderabad Plant. • ISO 22301:2019 – Business Continuity Management System at Goa Plant. • CMMIDEV/3 – CMMI for Software Development at Gurugram Office. • Certificate of Designation (OFC Testing Lab) – Certificate of Conformity Assessment Body (CAB) Designation at Goa and Hyderabad Plants. • ISO 14001 & ISO 45001 – Environmental, Occupational health and Safety management system at Hyderabad Plant. 								
<p>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</p>	<p>HFCL is committed to sustainable business practices and social development initiatives. We have business specific goals and commitments as illustrated below:</p> <p>At Hyderabad Plant:</p> <p>The sustainable business practices and social development initiatives for Optical Fiber and Optical Fiber Cable Plants at Hyderabad are list below:</p> <ul style="list-style-type: none"> • Planning to install 1 MWp roof top Solar power in Hyderabad facility to generate 1.5 million units/annum during financial year 2024-25. This will bring down carbon emission up to 1,215 Metric Ton/annum and Monetary saving up to ₹105 Lacs. • To achieve the goal of Zero Waste to Landfills by December 2024. • To get Certified for Zero Liquid Discharge by 2025. • We have implemented Zero Liquid Discharge (ZLD) by establishing Sewage Treatment Plants, which employ preliminary, primary, secondary, and tertiary processes to remove contaminants. We use the treated wastewater for gardening and in the washrooms. We treat the generated sludge to meet the microbial requirements and dispose of it effectively. • STP capacity extended to 35 KLD for sewage treatment. • Horticulture waste is composted and utilised for in-house gardening. • Reducing power consumption by upgrading technology in machineries resulting in saving of 10% of electricity cost on a yearly basis. <p>At Goa operations</p> <p>As a part of our sustainability commitment, we have</p> <ul style="list-style-type: none"> • Set goals for a cumulative 40% renewable energy transition for a cleaner and greener environment by 2026-27. 								



Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	<ul style="list-style-type: none"> Targeted meeting 7% of the energy requirement by FY2025 by renewable energy sources. Reduce power consumption by upgrading technology in machineries resulting in saving of 5 lakh units of electricity on a yearly basis by 2025. We have implemented Zero Liquid Discharge (ZLD) by establishing Sewage Treatment Plants which employs preliminary, primary, secondary, and tertiary processes to remove contaminants. Goa facility has taken several initiatives to recycle its packaging waste as an initiative to reduce the net waste disposal. 								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	The Company institutionalises strategies, processes, commitments, and initiatives to drive resource efficiency, human capital development and community engagement. The Company's performance on its environmental, social, and governance key parameters are disclosed in this BRSR Report.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>I am delighted to present our Business Responsibility and Sustainability Report (BRSR) for FY2023-2024. This report demonstrates our commitment to sustainability, and sustainable business practices throughout our operations and the value chain. We are committed to continue the HFCL's legacy of building sustainable communities, driving social inclusion, supporting resource optimisation, and environmental protection, all while meeting our business aims and ambitions.</p> <p>At HFCL, our agenda to sustainable growth, innovation, and ethical business conduct has driven notable progress over the years. With a strategic focus on ESG drivers, we have implemented various initiatives to ensure that ecological sustainability and societal responsibility are balanced and achieved. Our environmental initiatives encompass the sustainable management of energy, emissions, water, and waste operations. HFCL's consultative and design thinking approach ensures customers satisfaction and while continual involvement with consumers and business partners improves their enterprises, making our business ecosystem more productive and responsive. By integrative the domain expertise with digital technologies, we reimagine business processes for our customers and the ecosystem.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Company's Board of Directors are entrusted with the responsibility to oversee the implementation of the business responsibility policies.								
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.	<p>Yes. The Board of Directors of the Company constituted an ESG Committee comprising of following members, designed to oversee and lead the Company's environmental, social, and governance strategies, activities, and implementation across the organisation:</p> <ol style="list-style-type: none"> Mr. Surendra Singh Sirohi (Independent Director) – Chairman (upto 26.08.2024) Mr. Bharat Pal Singh (Independent Director) – Chairman (w.e.f 27.08.2024) Mr. Mahendra Nahata (Managing Director) – Member Mr. Arvind Kharabanda (Non-Executive Director) – Member Mr. Vijay Raj Jain (Chief Financial Officer) – Member Mr. Sanjay Vithalrao Jorapur (President – HR)- Member Mr. Shubhas Mondal (Senior Vice President)- Member Mr. Rajesh Tatia (Vice-President – Goa Plant)- Member Mr. Vivek Agrawal (Vice-President – Hyderabad Plant) – Member <p>Mr. Manoj Baid, President and Company Secretary acts as a Secretary to the Committee.</p>								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Company's policies are periodically reviewed or on a need basis by the business/ department heads, and/or the Board of Directors, as deemed appropriate by the Company.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company strictly adheres to all applicable laws and regulations to ensure compliances, which are reviewed on a quarterly basis by the Board of Directors.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
Ethics & Integrity	Sustainable Business	Employee Wellbeing	Stakeholders Inclusiveness	Human Rights	Environment Sustainability	Public Policy	Social Development (CSR)	Consumer Welfare
The Company's policies are periodically reviewed or on a need basis by the business/ department heads, and/or the Board of Directors, as deemed appropriate by the Company.								

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

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles									
The entity does not have the financial or human and technical resources available for the task									
It is planned to be done in the next financial year									
Any other reason (please specify)									

**SECTION C- PRINCIPAL WISE PERFORMANCE DISCLOSURE**

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

Essential Indicators**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	6	The Board of Directors of the Company is periodically briefed on various updates pertaining to the business, government regulations and its impact on Company's operations.	100%
Key Managerial Personnel (KMPs)	3	<ul style="list-style-type: none"> • Session on SBO under the Companies Act, 2013. • Session on Green Bond Framework and Sustainable Borrowings. • Session on the relevant provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and virtual training for familiarisation of HFCL's Insider Trading Portal. 	50%
Employees other than Board of Directors	221	5S Pillars, Integrated management systems (IMS), and six sigma, Awareness Session on Person with Disability (PWD), Assertive Communication, Business Etiquette Workshop, Session on Sustainable future by reducing Carbon Footprints, Change Management, Conflict Management and Problem Solving, Empowering Female Leaders of the Future, Prevention of Sexual Harassment (POSH) Awareness Session, Mastering work life balance -stress management training, Training on emergency preparedness- electrical safety, awareness, evacuation of shop floor /office during emergency, Hazard Identification and Risk Assessment, Pathway to wellness – A comprehensive talk on health aspects, Responsible disposal- Training on EU RoHS & the E-Waste (Management) Rules, 2022, Safety first- Comprehensive Training on Lock Out Tag Out, Near-miss Reporting, Monsoon Preparedness.	63%
Workers			31%

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:

Monetary					
	NGRBC Principle	Name of the Regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of Case	Has an appeal been preferred? (yes/ No)

Penalty/ Fine

Fine	Principle -1 (Fine for delay in submission of Trading Application with BSE Limited)	BSE Limited ("BSE")	₹80,000/- (Excluding applicable GST)	<p>The Company has submitted the Trading Application with National Stock Exchange of India Limited ("NSE") on March 22, 2024, well within the stipulated period of seven working days from the latest listing approval granted by the stock exchanges and made simultaneous attempts to file the Trading Application with BSE as well. However, due to technical issues on the Listing Portal of BSE, the Company could not file the Trading Application on BSE on the same day as it was filed with the NSE.</p> <p>Further, despite of numerous attempts to contact BSE's officials at the provided contact numbers for preferential issues on their website, communication remained unestablished.</p> <p>Furthermore, the challenges were compounded by the weekly-off on March 23, 2024, March 24, 2024, due to Saturday and Sunday, and on March 25, 2024, due to the festival of Holi, making it more difficult for the Company to co-ordinate with BSE officials.</p> <p>Following communication with BSE officials on March 26, 2024, the Trading Application was duly submitted with BSE.</p> <p>The Company, vide its email dated March 27, 2024, had suitably replied to BSE and requested to reconsider the imposition of fine. Further, as informed by BSE, pre-payment of fine is mandatory for granting trading approval, therefore, the Company had paid the fine on April 02, 2024.</p>	No
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Compounding Fee

Nil

Non-Monetary				
	NGRBC Principle	Name of the Regulatory/ enforcement agencies/ judicial institutions	Brief of Case	Has an appeal been preferred? (yes/ No)

Imprisonment

Punishment

Nil



3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

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.

HFCL is committed to preventing and detecting bribery and other types of corruption, and it conducts its business with honesty, integrity, and the highest ethical standards. The Company has implemented its anti-bribery and anti-corruption policy throughout its operational locations, including HFCL affiliates and subsidiaries. This policy applies globally to all individuals associated with the Company, including directors, senior executives, officers, employees (permanent, fixed-term, or temporary), consultants, contractors, trainees, seconded staff, casual workers, volunteers, interns, agents, and anyone else who is connected or associated with the Company. Furthermore, everyone covered by this policy is encouraged to disclose any concerns of bribery or misconduct as soon as feasible.

The anti-bribery and anti-corruption policy is available at

<https://www.hfcl.com/wp-content/uploads/2023/06/HFCL-Anti-Bribery and Anti-Corruption Policy.pdf>.

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

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Directors	Nil	Nil
Key Managerial Personnel (KMPs)	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	Current Financial Year 2023-24		Previous Financial Year 2022- 23	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. Provide details of any corrective action taken or underway on issues related to incident/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

The Company ensures compliance to all relevant regulations, norms, and laws of land. During the reporting period, no incidents of non-compliance related to corruption or conflict of interest were identified, and therefore, no corrective actions were undertaken.

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured)

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Number of days of accounts payables	99	92

9. Openness of Business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties

Parameter	Metrics	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not applicable	
	b. Number of trading houses where purchases are made		
	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	Not applicable	
	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 RPTs	a. Purchases (Purchases with related parties/Total Purchases)	10%	16%
	b. Sales (Sales to related parties/Total Sales)	4%	9%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	13%	26%
	d. Investments (Investments in related parties/Total Investments made)	25%	52%

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
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HFCL has not conducted any formal awareness sessions for value chain partners; however, topics like business code of conduct, regulatory policies, ethics, transparency, and confidentiality are clearly communicated in the purchase orders placed with partners to ensure that all business dealings and interactions align with established standards and expectations.

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 implemented principles to address conflict of interest in its Code of Business Conduct and Ethics for the members of the Board of Directors ("Code"). In addition, the Company has well-structured internal policies and processes outlining various safeguards and measures to manage related conflict of interests. The Code may be accessed on the Company's website at <https://www.hfcl.com>

Key principles outlined in the Code include:

- Whole-time Directors are prohibited from engaging in activities that may compromise their responsibilities to the Company or conflict with its interests. This includes refraining from concurrent employment with suppliers, customers, or competitors, and avoiding actions that support competitors.
- Prior approval from the Company's Audit Committee is required for Directors who wish to accept assignments with companies or agencies that compete with the Company. Directors should avoid conducting business on behalf of the Company with any relative or with a business in which a relative holds a significant role. In unavoidable situations, they must seek the approval of the Audit Committee, in accordance with applicable laws. Directors are encouraged to minimise transactions with relatives or their businesses. Should such transactions be necessary, compliance with relevant provisions of the Companies Act, 2013 and SEBI Regulations is mandatory.
- Directors must disclose and seek approval from the Board before personally benefiting from corporate assets, information, or their position.

These measures uphold transparency, integrity, and the prevention of conflicts of interest within the Company and its Board of Directors.

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.****Essential Indicators**

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

	Current Financial Year (2023-2024)	Previous Financial Year (2022-2023)	Details of improvements in environmental and social impacts
R&D	100%	100%	Design and Development of Telecom and Networking products – Environmental and Social Impacts- Enabling the sustainable and efficient agriculture, supporting remote working and Smart Cities initiatives, innovations on smart homes that improve security and smart lighting saves power, improvement in healthcare services and infrastructure to enable medical and healthcare services in remote areas, including online consultation facility. Further the Company makes consistent efforts to modernise its plants periodically and has invested in its capital expenditure.
Capex Expenditure	100%	100%	

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

If yes, what percentage of inputs were sourced sustainably?

Yes. HFCL has implemented a sustainable procurement process, making environmental, social, and governance compliance mandatory as part of the vendor onboarding and registration process. Vendors and suppliers are onboarded through checks and balances, which ensures mitigating sustainability risk at the onset. During onboarding, vendors/suppliers must provide necessary compliance documentation evidence and an undertaking stating their adherence to 'ethical and sustainable business practices,' including human rights and existing environmental and social standards and/or certifications such as quality management certificates under ISO, OHSAS, or other applicable standards. Additionally, the Company ensures that solder paste containing lead is sourced only from ISO 14001:2015 certified suppliers.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for**

- (a) Plastics (including packaging)
- (b) E-waste
- (c) Hazardous waste
- (d) Other waste

	Details of improvements in environmental and social impacts
Plastics (including packaging)	The plastic packaging material used for supply of Optical Fiber, reclaimed from the customers of HFCL, is re-used until the end of its usable life, and then re-cycled through the authorised recyclers.
E-waste	HFCL has developed a standardised e-Waste management system and strictly follows the e-Waste Management Rules 2022. As a part of e-waste recycling, HFCL always disposes of e-waste by safely handing it over to the approved e-waste Vendors.
Hazardous waste	HFCL has developed a standardised Hazardous Waste management system in adherence with the Hazardous Waste Management Rules of Government of India to safely dispose hazardous waste generated during its operations through the authorised vendors, which is not being incinerated or land-filled but effectively used as an Alternate Fuel Resource Facility (AFRF).
Other Waste	The paper packaging material used for supply of Optical Fiber, reclaimed from the customers of HFCL, is re-used until the end of its usable life and then disposed of through the authorised recycler/scrap vendors.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. EPR registration application is under process for HFCL's Goa plant, and the application has been filed under "Importer Category" for plastic waste as per Plastic Waste Management Rules.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	Product /Service % of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
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HFCL is currently undertaking a Life Cycle Assessment (LCA), focusing on the carbon footprint for two product categories: Optical Fiber Cable (three variants) and the ion4x14 -1 Gbps UBR with a 27-dB integrated antenna. Details of this assessment will be shared in next year's BRSR disclosures.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken
Not applicable, since no formal LCA conducted during the reporting period.		

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	
	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Bobbins	0.97%	4.95%
Polypropylene Box	0.03%	0.39%
Paper Corrugated Box	0.06%	0.16%
Overall (Total of above three items)	1.06%	5.50%

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

	Current Financial Year (2023-2024)			Previous Financial Year (2022-2023)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	165	80	0	210	36	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste (Corrugated boxes)	73	98	0	59	0	0

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	



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	1,803	1,803	100%	1,803	100%	0	0.0%	1,803	100%	162	9%
Female	126	126	100%	126	100%	126	100%	0	0.0%	8	6%
Total	1,929	1,929	100%	1,929	100%	126	7%	1,803	93%	170	9%
Other than Permanent employees											
Male	325	325	100%	325	100%	0	0.0%	325	100%	25	8%
Female	7	7	100%	7	100%	7	100%	0	0.0%	0	0.0%
Total	332	332	100%	332	100%	7	2%	325	98%	25	8%

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 workers											
Male	160	160	100%	160	100%	0	0.0%	160	100%	13	8%
Female	25	25	100%	25	100%	25	100%	0	0.0%	1	4%
Total	185	185	100%	185	100%	25	14%	160	86%	14	8%
Other than Permanent workers											
Male	1,035	1,035	100%	1,035	100%	0	0.0%	1,035	100%	402	39%
Female	66	66	100%	66	100%	66	100%	0	0.0%	39	59%
Total	1,101	1101	100%	1,101	100%	66	6%	1,035	94%	441	40%

*ESI covered associates are not included.

**The health insurance is taken only for NAP5

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

	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Cost incurred on well-being measures as a % of total revenue of the company	0.17%	0.15%

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

Benefits	Current Financial Year 2023-24			Previous Financial Year 2022-23		
	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	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	0.3%	2%	Yes	2%	26%	Yes

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.

At HFCL, we ensure accessibility for individuals with disabilities by providing wheelchairs and ramps in its few offices and all plant locations. HFCL is in the process of making all the other premises accessible for differently abled employees, workers, and visitors by providing adequate facilities in the coming times. Also, Braille signage is installed at entry and exit points and in elevators. All facilities are equipped with specially designated restrooms featuring guardrails to accommodate differently abled individuals.

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.

HFCL is committed to providing equal opportunities for all individuals, fostering an environment of respect and fairness without discrimination based on gender, age, disability, ethnicity, sexual orientation, family status, religious beliefs, or abilities. The Company has implemented a Diversity, Equity, and Inclusion (DE&I) Policy that ensures equal opportunities for all its employees, maintaining a conducive and harmonious work environment by recognising and valuing diversity, equity, and inclusion, without any form of discrimination.

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%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	At HFCL, we promote transparency and open communication among employees and management at all levels. We have implemented measures to provide a safe, inclusive, and supportive work environment for all employees and workers. Employees can file grievances in writing to their immediate supervisor, department head, or HR business partner. The responsible individual conducts a personal hearing and strives to resolve the grievance at their level. If the problem is not resolved, employees can escalate it to higher management (Plant Head, Function/Business Head, or MD). Furthermore, the Company has designated a Vigilance Officer under the Whistle Blower Policy, allowing employees and labourers to file complaints. The Vigilance Officer analyses these complaints and reports the results to the Audit Committee for final decision-making. HFCL has established Internal Complaints Committees at each workplace in accordance with the Policy on Prevention of Sexual Harassment at Workplace (POSH) to address to any sexual harassment complaints as swiftly as possible.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	



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

Category	Current Financial Year 2023-24			Previous Financial Year 2022-23		
	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)
Total Permanent Employee	1,929	1	0.1%	1925	1	0.1%
Male	1,803	1	0.1%	1799	1	0.1%
Female	126	0	0.0%	126	0	0.0%
Total Permanent Workers	185	36	19.5%	183	41	22%
Male	160	16	10.0%	156	18	12%
Female	25	20	80.0%	27	23	85%

8. Details of training given to employees and workers:

Category	Current Financial Year 2023-24					Previous Financial Year 2022-23				
	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)
Employees										
Male	2,128	381	18%	1,002	47%	2,271	713	31%	1,161	51%
Female	133	57	43%	111	83%	138	86	62%	138	100%
Total	2,261	438	19%	1,113	49%	2,409	799	33%	1,299	54%
Workers										
Male	1,195	218	18%	286	24%	994	777	78%	803	81%
Female	91	8	9%	12	13%	71	31	44%	9	13%
Total	1,286	226	18%	298	23%	1,065	808	76%	812	76%

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

Category	Current Financial Year 2023-24			Previous Financial Year 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2,128	1947	91%	2,271	1,949	86%
Female	133	120	90%	138	117	85%
Total	2,261	2067	91%	2,409	2,066	86%
Workers						
Male	1,195	935	78%	994	737	74%
Female	91	78	86%	71	54	79%
Total	1,286	1,013	79%	1,065	791	74%

10. Health and safety management system:

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

Yes. At HFCL, we prioritise the well-being of our employees and strive to create a safe and healthy working environment for all. Our goal is to prevent work-related injuries and illnesses, continuously enhance safety performance, and maintain a Zero Tolerance (ZETO) policy on safety hazards. To achieve this, we have established an Environmental, Occupational Health, and Safety Management System that adheres to ISO 14001:2015 and ISO 45001:2018 standards. This system integrates key business activities with structured principles and processes, ensuring safe and healthy work environments across all departments and operations.

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

The Company has established a collaborative framework with stakeholders, including employees, associates, and contract workers, to identify work-related hazards and risks. The following processes and procedures are implemented:

- **Safety Audits:** Internal and external audits are regularly conducted at all plant locations to detect potential hazards and ensure compliance.
- **Hazard Identification and Risk Assessment (HIRA):** A systematic approach is used to identify and evaluate potential hazards and associated risks across all HFCL processes and locations.
- **Daily Site Rounds:** Regular visual inspections are carried out to monitor personal protective equipment, check emergency gear, ensure machine safety, and confirm adherence to safety procedures, thus maintaining a safe work environment and preventing accidents.
- **Work Permit System:** High-risk activities are controlled through hazard assessments, permit issuance, and compliance monitoring to ensure they are conducted safely according to established procedures.
- **Safety Committee Meetings:** Regular meetings are held to review work-related safety hazards and develop strategies for their mitigation.
- **Reward, Recognition and Feedback:** Tailored programs are in place to foster employee participation and awareness of occupational health and safety (OHS). These include rewarding employees for identifying hazards, encouraging ongoing feedback, and integrating innovative perspectives into risk assessment processes.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes,

HFCL provides an intuitive reporting system for employees and workers to report hazards in the workplace. We encourage them to report any safety incidents to their managers or supervisors. During safety committee meetings, incident reports are analysed to formulate proposals for initiatives and improvements to employee well-being. In addition, HFCL has created an Incident Investigation and Reporting System that meticulously records every incident and thoroughly investigates and redresses the same without any biasness. We have also implemented employee interaction and awareness initiatives to educate our workers on practices for reducing any potential risks.

- d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, at HFCL, all employees and workers are provided with access to both non-occupational and medical healthcare services. We have collaborated with nearby nursing homes and hospitals to offer discounted healthcare services for our staff. Furthermore, HFCL organises periodic free health check-ups for employees and workers.



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

Safety Incidents/ Number	Category	Current Financial Year 2023-24	Previous Financial Year 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
Number of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

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

At HFCL, we ensure that our Environment, Health, and Safety (EHS) standards exceed regulatory requirements, legislation, and international benchmarks. By implementing global best practices, we continuously enhance our safety processes across all operations. HFCL is committed to maintaining a safe and supportive workplace through the following actions:

- **Occupational Health & Safety Management System:** Implementing a comprehensive system and policy, including mandatory safety inductions and training.
- **Safety Committee Meetings:** Holding regular meetings to address safety issues and develop initiatives.
- **Periodic Mock Drills:** Conducting drills to evaluate and improve emergency preparedness.
- **Daily Safety Walks:** Performing daily inspections to ensure workplace safety.
- **Recognition and Rewards:** Offering incentives for identifying and reporting hazards.
- **Regular Safety Audits:** Carrying out audits to identify and address safety gaps.
- **Firefighting and Fire Protection Systems:** Installing and maintaining essential fire safety equipment.
- **Provision of Personal Protective Equipment (PPE):** Supplying necessary safety gear.
- **Work Permit Systems:** Managing high-risk activities through established permit processes.
- **Incident and Accident Investigations:** Investigating incidents thoroughly and implementing corrective actions.
- **Employee Involvement:** Encouraging participation and consultation in safety activities.
- **Periodic Medical Check-Ups:** Providing regular health assessments to ensure employee well-being.

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

	Current Financial Year 2023-24			Previous Financial Year 2022- 23		
	Filed	Pending Resolution at end of year	Remark	Filed	Pending Resolution at end of year	Remark
Working Conditions	Nil	Nil	The Company has not received any complaint from its employees or workers.	Nil	Nil	The Company has not received any complaint from its employees or workers. However, we have received (11) suggestions for improvements from workers.
Health and Safety	Nil	Nil		Nil	Nil	

14. Assessments for the year:

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

Note: The plants and corporate office at Delhi were assessed while obtaining the ISO 45001:2018 certification.

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.

Ensuring the safety of our workforce is paramount at HFCL. We conduct regular safety audits and assessments by external agencies. In the recent assessments, no significant concerns were identified, however, any Opportunities for Improvement (OFI) noted during these assessments, were promptly addressed. Additionally, gaps identified through near misses are handled through Corrective and Preventive Actions (CAPA), followed by periodic reviews to assess the effectiveness of implemented measures.

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, HFCL provides life insurance to all employees and workers through a Group Term Life Insurance policy (GTLI), which includes coverage for accidental death, disability, critical illness, and family benefits.

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

At HFCL, we prioritise ethical business practices and compliance among our service providers by verifying their financial and compliance histories. This process includes reviewing financial statements, conducting background checks, and seeking references. Additionally, we regularly assess mandatory requirements such as Workmen Compensation policies and insurance as stipulated in the terms and conditions of purchase or work orders. HFCL ensures that all service providers at our plants across India submit monthly compliance reports concerning statutory dues for employees, including income tax, provident fund, professional tax, and ESIC.

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 Number of affected employees/ workers		No. of employees/ workers that are rehabilitated or whose family member have been placed in suitable employment	
	FY2023-24	FY2022- 23	FY2023-24	FY2022- 23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes. The Company supports employees throughout their employment journey by offering relevant skills training and knowledge development opportunities. At HFCL, in deserving cases and to ensure specialised skills obtained by employees during their employment do not get wasted, HFCL rehires employees who attain the age of superannuation and employs them in consultant and part time roles. This practice provides continued employability and ensures financial benefits.

**5. Details on assessment of value chain partners:****% of value chain partners (by value of business done with such partners) that were assessed**

Health and safety practices	At HFCL, our comprehensive Supplier Code of Conduct addresses concerns related to the Environment, Occupational Health & Safety, Child Labour, Business Ethics, Fair Employment Conditions, and Discrimination. All safety gears and guidelines are integrated into our standard operating procedures (SOPs), and partners are prohibited from working on-site if discrepancies arise. Work activities are conducted at customer premises under strict standard protocols.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from assessments of health and safety practices and working conditions of value chain partners.

At HFCL, we have designated a representative to manage health and safety practices on-site, and over the past two years, no significant concerns have arisen. Our procedures, guided by Standard Operating Procedures (SOP), specifically address health and safety and we ensure all activities are performed under appropriate lighting and weather conditions to minimise health risks and operational inefficiencies.

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.**

At HFCL, stakeholders are integral to our sustainability journey, and their opinions and feedback are vital for our long-term growth and development. We identified significant internal and external stakeholder groups that have an influence on the Company and vice versa through stakeholder mapping, and we intend to measure the stakeholders' priority concerns, expectations, and challenges through a continuous stakeholder engagement approach. Regular involvement with these groups has allowed us to improve relationships and foster shared value with our key stakeholders, who include employees, workers, suppliers, customers, investors, shareholders, non-governmental organisations (NGOs), communities, and others. In fiscal year 2024, HFCL undertook a comprehensive Materiality Assessment that included our leadership team, employees, workers, suppliers, customers, NGOs, CSR project partners, and the communities that we serve. This assessment ensures that our initiatives are in line with their requirements and expectations, supporting our commitment to having a positive impact.

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 & Marginalised 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
Employees	No	Website, Emails, In-person meetings, Newsletters, Town halls, Employee surveys	Regular	Outlook on various business expectations and thoughts of employees, Employee engagement, human resource development, skill training, career development, safety training, ESG and CSR initiatives.
Workers	No	Website, Emails, In-person meetings, Newsletters, Town halls, Employee surveys	Regular	Outlook on various business, expectations and thoughts of employees, Employee engagement, human resource development, skill training, career development, safety training, ESG and CSR initiatives.
Suppliers	No	Website, Emails, In-person meetings, Newsletters, Supplier survey	Regular	Compliance with laws, regulations, published standards and environmental practices, Product related issues, new initiatives undertaken for the suppliers.

Stakeholder Group	Whether identified as Vulnerable & Marginalised 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
Customers (Distributors, Wholesalers, & Retailers)	No	Website, Newsletters, Partner Portal, Customer Service Portal, Emails, SMS	Regular	Educational, Updates about new offerings, Product related issues (quality, packaging, and delivery)
Communities	Yes	Our means of communication involve collaborating with our CSR Project Partners and actively engaging with local stakeholders and community leaders in the areas where our CSR Projects are implemented. Furthermore, we consistently gather their feedback, including their expectations, aspirations, needs, complaints and suggestions, through site visits, phone conversations and various awareness sessions.	Regular	Our objective in engaging with the community is to gain a comprehensive understanding of the concerns and gaps in our CSR projects, as well as to gather feedback on their expectations, aspirations, needs, complaints, and suggestions. Throughout our engagement processes, we have encountered various topics and concerns raised by community stakeholders. Some common key issues include insufficient time allocation for service delivery to address all beneficiaries, demand of additional services in the project, the distant location of the service site from beneficiaries' homes and individual grievances against the project's operational team. We collect and compile this feedback, requests, complaints, and information to direct the respective project partners to address each individual complaint, understand every suggestion and strive to implement corrective measures. Additionally, we aim to adjust the project's operations in accordance with the feedback received from the specific community and their needs and aspirations.
NGOs	No	The specific communication channel and method clearly specified in the corresponding MoUs with each project partner. The communication channels typically encompass email, telephone discussions, video conferences and periodic meetings as needed.	Regular	These channels are utilised to address any issues or concerns, evaluate project operations, and offer feedback and suggestions for maximising the use of available resources to serve the greatest number of beneficiaries.
Investor/ Shareholders	No	Investor meetings, conference calls, emails, press releases, newsletters, stock exchange announcements, websites, annual reports and annual general meetings.	Regular	Update on the business and financial performance, Company's strategy and growth levers, potential opportunities, and risks, our ESG goals/ actions and material events which may have a positive or negative impact on the performance of 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 is feedback from such consultations provided to the Board.

At HFCL, stakeholder consultation is integral for business decisions, policy making, and strategy formulation. The Company actively engages with relevant stakeholders through designated representatives and solicits opinion and feedback on various business strategies and sustainability themes. The feedback is channelled through departments/ plants/ unit heads to various Board Committees which ultimately translates it to the Board for consideration and appropriate action in the form of suggestions and recommendations.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. At HFCL, stakeholder consultation is sought for key decision making around sustainability issues and programs. During our materiality assessment, a stakeholder consultation process was undertaken to engage with all identified stakeholders, including employees, workers, suppliers, customers, and NGO/CSR project partners to identify key material issues pertaining to HFCL. Their perceptions were taken into consideration while finalising HFCL's key ESG material topics and priority action areas.

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

HFCL is committed to empower marginalised and vulnerable communities and to drive inclusive socio-economic impact through its Corporate Social Responsibility (CSR) initiatives. The core focus of HFCL's CSR mission includes healthcare and education.

In healthcare, HFCL, in partnership with HelpAge India and the Wockhardt Foundation, operates five Mobile Medical Units (MMUs) that deliver free preventive healthcare to over 500 underprivileged beneficiaries daily. Each MMU is staffed by a dedicated team comprising an MBBS doctor, a lab technician, and a pharmacist, providing a comprehensive range of services including diagnostics, medications, pathological tests, and cardiography.

In New Delhi, HFCL offers advanced dialysis services through the HFCL Medi Dialysis Centre, ensuring holistic care for patients. The Company also collaborated with St. Stephen's Hospital for providing corrective surgeries for club foot diseases and polio deformities and support advanced open heart procedures through the National Heart Institute and offering grants to individuals in need of critical illness treatments.

For elderly care, HFCL has constructed a facility for over 100 abandoned elderly individuals at SHEOWS in Garhmukteshwar and provides grants to AMRITAM Old Age Home in Noida to support the construction of a facility dedicated to elderly care. In the field of education, HFCL provides computer training to underprivileged youth in Ghazipur and supports special needs children at Balwantray Mehta Vidya Bhawan School in New Delhi. Additionally, HFCL offers individual education and sports training grants also.

HFCL is also committed to animal welfare, providing grants to the Care & Compassion welfare organisation. This support facilitates food, sterilisation services, and critical care for abandoned street dogs, ensuring they receive the necessary medical attention and shelter.

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	FY2023-24			FY2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	1,929	1,320	68%	1,925	396	21%
Other than permanent	332	101	30%	484	12	2%
Total Employees	2,261	1,421	63%	2,409	408	17%
Workers						
Permanent	185	107	58%	183	63	34%
Other than permanent	1,101	284	26%	882	544	62%
Total Workers	1,286	391	30%	1,065	607	57%

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

Category	FY2023-24 Current Financial Year					FY2022-23 Previous Financial Year				
	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	1,929	23	1%	1,906	99%	1,925	11	0.6%	1,914	99.4%
Male	1,803	19	1%	1,784	99%	1,799	8	0.4%	1,791	99.6%
Female	126	4	3%	122	97%	126	3	6.0%	455	97.6%
Other than Permanent	332	42	13%	290	87%	484	29	6.0%	455	94.0%
Male	325	38	12%	287	88%	472	23	4.9%	449	95.1%
Female	7	4	57%	3	43%	12	6	50.0%	6	50.0%
Workers										
Permanent	185	21	11%	164	89%	183	12	6.6%	171	93.4%
Male	160	16	10%	144	90%	156	8	5.1%	148	94.9%
Female	25	5	20%	20	80%	27	4	14.8%	23	85.2%
Other than Permanent	1,101	673	61%	428	39%	882	629	71.3%	253	28.7%
Male	1,035	611	59%	424	41%	838	588	70.2%	250	29.8%
Female	66	62	94%	4	6%	44	41	93.2%	3	6.8%



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

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)*	5	1,175,000**	1	1,050,000**
Key Managerial Personnel***	3	48,262,122	0	0
Employees other than BoD and KMP	2,125	776,665	133	927,500
Workers	1,195	284,383	91	200,439

*Excluding Managing Director who has been included in Key Managerial Personnel category.

**The payment of sitting fees only made to non-executive directors of the Company including independent directors for attending the meetings of the Board and its various Committees, during the year under review, have been considered.

*** Key Managerial personnel comprises of Mr. Mahendra Nahata, Managing Director, Mr. Vijay Raj Jain, Chief Financial Officer and Mr. Manoj Baid, President & Company Secretary.

Note: Only considered permanent employees and workers on rolls.

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

	Current Financial Year 2023-24	Previous Financial Year 2022-23
Gross wages paid to females as % of total wages	4.90%	4.98%

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)

The Board of Directors at HFCL has implemented a Whistle-Blower Policy to encourage directors and employees to report unethical behaviour, illegal acts, questionable practices, and suspected fraud or violations of the Company's Codes of Conduct for Directors and Senior Management Personnel. This policy serves as a Vigil Mechanism, allowing stakeholders, including employees and their representatives, to freely communicate concerns about illegal or unethical practices to management. Additionally, HFCL has established Internal Complaint Committees (ICC) at each workplace in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, to effectively address concerns related to sexual harassment.

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

HFCL has established several key policies, including the Code of Conduct, Whistle Blower Policy, Grievance Redressal Policy, and POSH (Prevention of Sexual Harassment) Policy, to ensure the effective implementation of processes in line with human rights and labour regulations. All employee and worker grievances are directed to the Vigilance Officer appointed by the Company. The Vigilance Officer thoroughly investigates each case and submits a detailed report to the Audit Committee, which carefully reviews the findings and makes final decisions. This process is conducted with strict confidentiality and transparency to maintain the integrity of the investigation.

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

	Current Financial Year 2023-24			Previous Financial Year 2022-23		
	Filed during the year	Pending resolution at end of year	Remark	Filed during the year	Pending resolution at end of year	Remark
Sexual Harassment	Nil	Nil	-	1	Nil	The ICC has held its various meetings to investigate the case and provided equal opportunities to both the complainant and accused to present their matter before the ICC. Subsequently, the complaint was withdrawn by the Complainant and hence ICC closed the matter.

	Current Financial Year 2023-24			Previous Financial Year 2022-23		
	Filed during the year	Pending resolution at end of year	Remark	Filed during the year	Pending resolution at end of year	Remark
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

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

Category	Current Financial Year 2023-24	Previous Financial Year 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	1
Complaints on POSH as a % of female employees/workers		0.45%
Complaints on POSH upheld		Nil

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

The Company ensures that members of the Internal Complaint Committee (ICC) have the necessary expertise and experience to manage harassment and discrimination cases effectively and as per POSH Policy, Whistleblower Policy, and grievance redressal mechanism. Upholding the Principle of Natural Justice is essential in all cases handled by the Committee. Furthermore, under our whistleblower policy, we provide enhanced protection to complainants to prevent any potential retaliation that could impact their employment.

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

Yes, HFCL ensures that all agreements and contracts incorporate clauses for enforcing relevant labour laws, and that service contracts require vendors to provide certification and compliance.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Nil
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Other human right related issues	

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

Not Applicable since no assessment was conducted.

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

At HFCL, we uphold the highest ethical business standards by continuously reviewing corporate governance policies, processes, and guidelines to ensure legal compliances and the adoption of best practices. Additionally, we ensure that all proceedings under EEO (Equal Employment Opportunity), POSH, and grievance redressal policies adhere to the following standards:

- i. Confidentiality of the proceedings is maintained.
- ii. Guidelines for anti-retaliation assurance are provided.
- iii. The principle of fairness is upheld throughout the entire process.

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

HFCL has not carried out a formal Human Rights Due Diligence assessment during the reporting period. However, the Company has a Human Rights Policy which every employee and worker is required to adhere to and uphold.

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?

The Company is committed to equip all its offices and manufacturing plants to ensure easy accessibility for differently abled employees and visitors. HFCL is also actively working to enhance accessibility by including ramps, elevators and Braille signage at all locations.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	
Forced/involuntary labour	
Sexual harassment	Nil
Discrimination at workplace	
Wages	
Others – please specify	

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

Not Applicable since no assessment was conducted.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Current Financial Year 2023-24	Previous Financial Year 2022-23
From 'Renewable Sources' (in GigaJoules (GJ))		
Total Electricity Consumption (A)	0	0
Total Fuel Consumption (B)	0	0
Energy consumption through Other Sources (C)	0	0
Total Energy Consumption from renewable sources (A+B+C)	0	0
From 'Non-Renewable Sources' (in GigaJoules (GJ))		
Total Electricity Consumption (D)	110,561	134,331
Total Fuel Consumption (E)	6,194	4,929
Energy consumption through Other Sources (F)	0	0
Total Energy Consumption from non-renewable sources (D+E+F)	116,755	139,260
Total Energy Consumed (A+B+C+D+E+F)	116,755	139,260
Energy intensity per rupee of turnover (Total energy consumption /turnover) (GJ/ INR)	0.0000029	0.0000032

Parameter	Current Financial Year 2023-24	Previous Financial Year 2022-23
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (Total energy consumed/ Revenue from operations adjusted for PPP) (GJ/ USD)	0.00006	0.00007
Energy intensity in terms of physical output (GJ/ Throughput in Kilometer)	0.44	0.47

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency: No

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

Not Applicable as none of our sites come under PAT Scheme as Designated Consumers.

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

Parameter	FY2023-24	FY2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	6,016	8,256
(iii) Third party water: Municipal Water	82,282	25,200
(iv) Seawater/desalinated water	0	0
(v) Others: Tankers & Water Cans	19,343	35,701
Total volume of water withdrawal (in kiloliters)	107,641	69,157
Total volume of water consumption (in kiloliters)	107,641	69,157
Water intensity per rupee of turnover (Water consumed/Revenue from operations) (KL per rupee)	0.0000026	0.0000016
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP) (KL/ USD)	0.000059	0.000036
Water intensity in terms of physical output (KL/ Throughput in Kilometer)	0.41	0.24

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

4. **Provide the following details related to water discharged:**

Parameter	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface Water		
- No treatment		
- With treatment- please specify level of treatment		
(ii) To Ground Water		
- No treatment		
- With treatment- please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment- please specify level of treatment		
(iv) Sent to Third Parties		
- No treatment		
- With treatment- please specify level of treatment		
(v) Others		
- No treatment		
- With treatment- please specify level of treatment		
Total water discharged (in kilo-litres)		

We have implemented Zero Liquid Discharge (ZLD) by establishing Sewage Treatment Plants, which employ preliminary, primary, secondary, and tertiary processes to remove contaminants. We use the treated wastewater for gardening and in the washrooms. We treat the generated sludge to meet the microbial requirements and dispose of it effectively.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency: No



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

To prevent untreated water discharge, HFCL has installed comprehensive sewage treatment systems in all of its manufacturing facilities. In addition, we have established Zero Liquid Discharge (ZLD) systems in all of our manufacturing plants, which is consistent with our commitment to environmental sustainability. The treated water is repurposed for gardening and washrooms, contributing to water conservation and efficient resource utilisation.

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

Parameter	Please specify unit	FY2023-24	FY2022-23
NOx	Tons/year	0.75	0.19
SOx	Tons/year	1.92	1.83
Particulate matter (PM) (PPM)	Tons/year	1.96	0.05
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)		Not applicable	
Others – ODS			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.: No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Please specify unit	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Total Scope 1 Emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent (MTCO ₂ e)	1,325	539
Total Scope 2 Emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent (MTCO ₂ e)	21,989	23,295
Total Scope 1 and Scope 2 emissions per rupee of turnover	MTCO ₂ e/INR	0.00000057	0.00000054
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 & 2 emissions/ Revenue from operations adjusted for PPP)	MTCO ₂ e/ USD	0.000013	0.000012
Total Scope 1 and Scope 2 emission intensity in terms of physical output	(MTCO ₂ e/ Throughput in Kilometer)	0.088	0.081

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes," name the external agency.: No

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

HFCL is committed to environmental protection and reducing the footprints of its operations via implementation of its energy efficiency initiatives and technology. To lower our carbon footprint, we have emphasised the use of innovative, efficient, and sustainable technologies and processes in product manufacturing, packaging/storage, and transportation in recent years. Some of the energy efficient initiatives undertaken by HFCL are listed below: -

- All HFCL plants lighting are designed with LED luminaires to conserve energy. Our office building for Optical Fiber Plant is developed with Double Layer Glass Facade to conserve energy due to less requirement of light and cooling requirements.
- High efficiency UPS installed having 96% efficiency.
- Cable Plant designed with provision of sufficient natural air and light to reduce the Cooling and illumination requirements. Cross Air Ventilation and Turbo Ventilators installed wherever applicable and 02-Inch Rockwool Insulation is provided to prevent heat inside the roof.
- Electricity consumption from renewable sources. i.e., Solar is planned.
- Humidifiers designed with high efficiency Humifog system to conserve electrical energy.

- Non-critical loads removed from DG sets during power interruptions.
- Running of cooling tower fans and pumps are controlled by temperature controller.
- Optimised energy consumption in the nitrogen plant by replacing desiccant air dryer with refrigerant air dryer.
- Entire utility is monitored and controlled through Smart BMS (Building Management System) to have real time monitoring of critical parameters and optimum use of energy.
- All air handling units are designed with high efficiency DIDW fans with VFD drive instead of Belt drive and are operated with closed loop system with field control system to optimise energy consumption.
- All motors in the facility are equipped with soft starters instead of the conventional switch gear starters for energy conservation and reduction of electrical spikes.
- Installed pressure regulating valve (PRV) and reduced overall air pressure in the plant from 7 kg/cm² to 6kg/cm².
- All centrifugal chillers equipped with VFD drive, ATC to maintain desired approach, thereby conserve electrical energy.
- Product development – Successfully decreased the cable diameter and thickness while maintaining the cable's functionality, leading to a reduction in material consumption.
- Re-engineering of wooden drum and pallets to reduce the wood consumption.
- Saving of transportation fuel due to accommodation of more lengths of optical fiber cables in same vehicle/container.
- Consistently striving to reduce PBT scrap, we have achieved a remarkable reduction in scrap percentage from 7% to 4.5%.
- Recycling of packaging material is done – Empty fiber spools, empty ripcord spools, FRP spools, Empty IBC, MS rings, IGFR Cop, Steel wire spools are sent back to suppliers.

Some of the other energy efficient products/solutions developed /being developed are highlighted below:

- Developed new-generation wireless point-to-point and point-to-multipoint connectivity solutions with improved energy efficiency while delivering higher capacity.
- Developing new generation 5G wireless radio products with energy efficiency features. These products include indoor small cell base stations and O-RAN compliant outdoor Macro Radio and mm Wave FWA CPE products.

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

Parameter	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
Total Waste Generated (in Metric Tonnes)		
Plastic Waste (A)	615	351
E-Waste (B)	0.61	0.14
Bio-medical Waste (C)	0	0
Construction and Demolition Waste (C&D) (D)	167	223
Battery Waste (E)	14	0
Radioactive Waste (F)	0	0
Other Hazardous Waste generated (G) (Please specify, if any)	61	83
Other Non-Hazardous Waste generated (H) (Please specify, if any)	649	1,181
Total Waste Generated (A+B+C+D+E+F+G+H)	1,507	1,838
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations) (MT/ INR)	0.00000004	0.00000004
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP) (MT/ USD)	0.00000008	0.00000009
Waste intensity in terms of physical output (MT/ Throughput in Kilometer)	0.01	0.01



Parameter	Current Financial Year 2023- 24	Previous Financial Year 2022- 23
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in Metric tonnes)		
Category Waste		
(i) Recycled	1,268	770
(ii) Re-used	7	0
(iii) Other recovery operations	62	0
Total	1,337	770
For each category of waste generated, total waste disposed by nature of disposal method (in Metric tonnes)		
Category Waste		
(i) Incineration	2	77
(ii) Landfilling	110	229
(iii) Other disposal operations	58	263
Total	170	1069

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency.: No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

A comprehensive waste management plan is in place at all HFCL locations, in accordance with our commitment to dispose of zero waste to landfills by December 2024. We ensure categorisation and segregation of all waste types at the source. The hazardous waste is collected, transported, and disposed of by CPCB-authorized vendors, while the non-hazardous waste is either recycled or utilised within the operations (wherever feasible) or processed through an appropriate mechanism by the authorised vendors. Additionally, we ensure that all the raw materials used to manufacture Optical Fiber and Optical Fiber Cables are Restriction of Hazardous Substances (RoHS) and Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) compliant. HFCL has upgraded its RoHS compliance in line with the latest directives 2015/863 (EU) RoHS that has added four additional restricted substances to the existing list and do not contain substances which are identified in the Candidate List of Substance of Very High Concern published by ECHA on 07/01/2023. Furthermore, HFCL promotes the manufacturing of modern designs with reduced level of jelly or no jelly and replacing it with the use of dry water blocking materials and has switched to 90% of designs with dry core construction. These dry tube/dry core designs help in reduction in use of petroleum-based products.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Yes/No) If "No", the reasons thereof and corrective action taken, if any.
			Not Applicable as none of our sites are in ecologically sensitive area

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

Name and brief of the project	EIA Notification No.	Date	Whether conducted by independent agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link

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:

S. No. Specify the law/ regulation/ guidelines which is not compliant	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control board or by courts	Corrective action taken, if any
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The Company's current operations and offices comply with all applicable environmental regulations of the Country. We operate in accordance with the conditions outlined in the Consent to Operate (CTO) issued by the Central and State Pollution Control Boards. Moreover, there have been no instances of non-compliance reported by the regulatory authorities.

Leadership Indicators

- 1. **Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**
Each facility/ plant located in areas of water stress, provide the following information:
 - i. **Name of area-** Not Applicable as none of our sites are in a water stress area.
 - ii. **Nature of operations:** Not Applicable
 - iii. **Water withdrawal, consumption, and discharge in the following format:**

Parameter	Current Financial Year 2023-24	Previous Financial Year 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface Water		
(ii) Ground Water		
(iii) Third Party Water		
(iv) Seawater/ Desalinated Water		
(v) Others		
Total volume of water withdrawal (in KL)		
Total volume of water consumption (in KL)		
Water intensity per rupee of turnover (water consumed/ turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in Kilolitres)		
(i) To Surface Water		
- No treatment		
- With treatment- please specify level of treatment		
(ii) To Ground Water		
- No treatment		
- With treatment- please specify level of treatment		
(iii) Sent to Third Party Water		
- No treatment		
- With treatment- please specify level of treatment		
(iv) Into Seawater		
- No treatment		
- With treatment- please specify level of treatment		
(v) Others		
- No treatment		
- With treatment- please specify level of treatment		
Total water discharged (in kilolitres)		

Not applicable

We have established Sewage Treatment Plants at all our manufacturing plants to implement Zero Liquid Discharge (ZLD). These plants utilise preliminary, primary, secondary, and tertiary treatments to remove contaminants. Additionally, it incorporates sludge treatment to ensure that the effluent is effectively purified in accordance with microbial standards. The water that has been treated is subsequently utilised for landscaping as well as in restrooms.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency. No



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

Parameter	Please specify unit	Current Financial Year 2023-24	Previous Financial Year 2022-23
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 tonnes of CO ₂ equivalent	HFCL is currently working on GHG scope- 3 emission inventory and will start disclosing the data in BRSR Report from FY2025 onwards.	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional)- the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency. No

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.

Not Applicable

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 FY2023-24	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative Energy Saved (kWh)
1	Water Management	STP Plant capacity extended to 35 KLD for sewage treatment. Storm Drains for Rainwater Harvesting and 8 Ground Water Recharge Pits connected with Storm drains for water-conservation.	The discharged water is treated and used for gardening and in washrooms resulting in improved water conservation
2	Composting	Horticulture waste is efficiently managed through composting and gardening in-house.	Waste reduction and circularity.
3	Interlocking of auxiliary equipment	Pumps and blowers interlocked with extruder for sheathing process.	When the extruder is idle for some time, pumps and blowers will automatically stop.
4	Optimise energy consumption at nitrogen plant	Switched to refrigerant from desiccant air drier for nitrogen plant.	10% purge air loss saved without affecting nitrogen purity.
5	Pressure Regulating Valve	To control and maintain desired pressure level with a system.	Reduce overall air pressure in the plant from 7 kg/cm ² to 6kg/cm ² , which leads to 7% power saving.
6	Non-critical loads removed from DG sets	Identified non-critical loads have been removed from DGs.	During power failures, non-critical loads will not draw power from DGs.
7	Zero Waste to Landfill	Initiatives undertaken to divert waste disposal from landfilling to alternate/sustainable disposal methods	Waste diverted from Landfill.
8	Energy Management	Installation of Smart BMS to optimise use of energy use and AHUs equipped with high efficiency DIDW fans with VFD drive to drive energy optimisation. Installation of Soft Starters for all motors used in the facility, adoption of LEF luminaires to conserve energy and installation of high-efficient (96% efficient) UPS to promote energy efficiency.	Energy Saving and conservation

S. No	Initiative undertaken FY2023-24	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative Energy Saved (kWh)
9	Plastic Reduction	Developed Nex Gen products that aids in reducing and minimising use of plastic materials (PBT and HDPE) in line with Company's commitment towards no plastic usage in operations and packaging.	Reduction in use of PBT 54% & HDPE 25% for Cable manufacturing
10	SIGMA AIR MANAGER 4.0.-for all compressor and dryer	The control of the compressed air station is optimised for maximum efficiency. The SIGMA AIR MANAGER 4.0 introduces a new level of adaptive, efficient, and networked compressed air management.	This advanced system coordinates the operation of multiple compressors, dryers, and filters with exceptional efficiency, providing unprecedented control and performance.

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

The Company is certified for ISO 22301: 2019 for Goa Plant and has established business continuity, disaster recovery plans, and emergency management plans. HFCL has formulated detailed Standard Operating Procedures for an effective business continuity management system and disaster management action plan. To ensure these plans are robust and effective, HFCL conducts training and awareness sessions periodically. Regular testing is also conducted to check their efficiency and further improvement.

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.

Not Applicable

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

Nil

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.

9

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
2	Federation of Indian Chamber of Commerce and Industry (FICCI)	National
3	Confederation of Indian Industry (CII)	National
4	Telecom Equipment Manufacturers Association of India	National
5	Telecom Equipment and Services Export Promotion Council	National
6	Voice of Indian Communication Technology New Delhi	National
7	Telecom Standards Development Society, India (TSDSI)	National
8	Bharat 6G Alliance	National
9	Goa Chamber of Commerce and Industry and Verna Industrial Association	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.

Name of authority	Brief of the Case	Corrective action taken
	There are no anti-competitive conduct issues reported in the FY24, therefore, no corrective actions are underway. Further, HFCL is the only Indian Company against which no Anti-Dumping duty has been determined by European Commission on export of Optical Fiber Cables ("OFC") to European countries. After thorough investigation, in a landmark verdict on June 14, 2024, European Commission ruled that HFCL and HTL, its subsidiary, are the only Indian companies not engaged in dumping of OFC in European markets whereas provisional Anti-dumping duty has been determined on all other Indian Optical Fiber Cable Manufacturers. This makes HFCL as the only Indian Optical Fiber Cable manufacturer to have been exempted from anti-dumping duties by European Commission. This proves HFCL's unwavering commitment to transparency and fair business practices in a half-a-year long investigation by European Commission on Indian Optical Fiber Cables manufacturers for dumping OFC in European market.	

Leadership Indicators

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

S. No. Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of Review by Board	Web Link, if available
	The Company through industry associations and forums, drives drives a positive change in the policy advocacy for the betterment of the sector and for the societal benefit. HFCL collaborates with communities such as TSDSI (Telecom Standards Development Society, India) and the Bharat 6G Alliance. These communities consist of mobile network operators, vendors, and research institutions in the radio access network industry, collaborating to develop more sustainable products.			

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.

Name and brief detail of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No)	Relevant web-link
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:

S. No. Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	%of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not Applicable					

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

At HFCL, as per the Memorandum of Understanding (MoU), our CSR Project partners are responsible for addressing community concerns and managing them in accordance with their specific guidelines to ensure that they are resolved in a timely manner. Social Protection Officers and Project Coordinators have been appointed for each project to ensure that operations are conducted in a seamless manner and that the specified outcomes of the MoU are met.

We maintain direct communication channels and actively engage with local community leaders to collect grievances, complaints, and suggestions. Recognising the significance of direct feedback, we promptly communicate these concerns to our project partners to facilitate their prompt action and resolution. After the grievances have been resolved, our project partners provide us with a comprehensive report that outlines the corrective measures that were implemented to prevent the recurrence of similar issues in the future and the approach that was taken to redress the situation.

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

	Current Financial Year 2023-24	Previous Financial Year 2022-23
Directly sourced from MSMEs/ Small producers	16%	27.97%
Directly from within India	45%	43%

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	Current Financial Year 2023-24	Previous Financial Year 2022-23
Rural	5%	5%
Semi-Urban	6%	5%
Urban	20%	19%
Metropolitan	69%	71%

Note: Place is categorised as per RBI Classification System- rural/ semi-urban/ urban/ metropolitan

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):

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S. No.	State	Aspirational District	Amount spent (In lakhs)
HFCL do not currently have any projects running in Aspirational Districts.			

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

No. HFCL does not have a preferential procurement policy; however, the Company support procurement from MSME and small producers in India.

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

Nil

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

Nil

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:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes/ No)	Basis of calculating benefit share
No such benefits derived and shared in FY23-24 based on traditional knowledge.				

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.

Name of authority	Brief of Case	Corrective action taken
Nil		



6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Mobile Medical Units (MMU) – (Preventive Health Care) HFCL has partnered with HelpAge India and the Wockhardt Foundation to implement preventive healthcare initiatives. HelpAge India oversees operations in Himachal Pradesh (Solan), Goa, and Rajasthan (Sardarsahar), while the Wockhardt Foundation manages projects in Uttar Pradesh (Ghazipur) and Telangana (Hyderabad). Each Mobile Medical Unit (MMU) is equipped with a dedicated healthcare team comprising an MBBS doctor, a lab technician, and a pharmacist. These units provide free diagnostics, medications, pathological tests, cardiographs, and other essential services to beneficiaries. The implementing agencies, supported by a Social Protection Officer, are responsible for daily operations.	140,057	100%
2	St. Stephen's Hospital- New Delhi (Advance Health Care) HFCL has collaborated with the St. Stephen's Hospital Patients Welfare Society in Delhi as part of its CSR initiatives, offering funding for corrective surgeries to individuals affected by polio deformities or clubfoot disease, who lack the financial means to afford treatment.	48	100%
3.	National Heart Institute, New Delhi (Advance Health Care) HFCL has partnered with the All-India Heart Foundation, a division of the National Heart Institute in Delhi, to fund open-heart surgeries and cardiac valve replacements for disadvantaged individuals exposed economic vulnerability.	8	100%
4	Balwantray Mehta Vidya Bhawan- New Delhi (Education for special need Children) HFCL contributes to the educational support of DIVYANG children enrolled at Balwantray Mehta Vidya Bhawan School in Greater Kailash-II, New Delhi, covering their full school fees directly to the institution. This initiative aims to ensure these children have access to quality education without financial barriers.	50	100%
5	Computer Skill Learning Centres, Ghazipur, UP HFCL has collaborated with the Hari Prem Society to provide computer training to disadvantaged youth in Ghazipur, Uttar Pradesh. This initiative seeks to improve their employability in today's competitive job market, emphasising the importance of advanced computer skills. The programme aims to equip participants with valuable technical knowledge to enhance their career prospects and socioeconomic opportunities.	588	100%
6	Care and Compassion Welfare Organisation, New Delhi (Animal Welfare) HFCL has partnered with the Care and Compassion Welfare Organisation (CCWO) to extend support to stray animals across Delhi and the NCR. Through this collaboration, HFCL aids CCWO in conducting sterilisation drives for spaying and neutering stray dogs, ensuring vaccinations against rabies, offering urgent medical care to injured animals, and providing compassionate treatment for terminally ill and abandoned animals. Regular feeding programs are also maintained to sustain these animals' well-being.	433	100%
7	Karuna, HFCL Social Services Society This initiative covers a wide array of CSR initiatives, addressing elder care, environmental sustainability, education and sports training grants, development in rural and slum areas, reduction of social and economic inequalities, efforts to eradicate hunger, poverty, and malnutrition, as well as disaster relief and rehabilitation.	1,000	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.

HFCL has a well-organised system for handling customer complaints. Customers can submit their complaints or feedback by emailing their account manager or the complaint management representative at the plant. Complaints are addressed and resolved within specified timelines, depending on the nature of the issue.

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	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

Footnote: The Company shares information about the safe usage, management, and disposal of the product as part of the product information brochure, including the ROHS details, disseminating awareness to customers about environmental parameters and compliances.

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

	Current FY2023-24		Remarks	Previous FY2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA

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

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

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, we have a Privacy Policy titled HFCL PIMS Manual and have implemented all necessary controls in line with ISO 27001:2022 and ISO 27701:2019. For our customers, the policy is available on our website at <https://www.hfcl.com/privacy-policy>.

The Privacy Policy details the management, operation, and maintenance of personally identifiable information and related assets used in the design, development, supply, installation, system integration, implementation, and customer support for IT, telecom, products, services, and communication infrastructure. The Privacy Policy also applies for all contracts entered with third parties.

The Privacy Policy also outlines the procedure at HFCL to handle personal information collected from customers through the website. It explains the consequences of not providing personal information, the rights of customers, and how they can report any issues or discrepancies.

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.

HFCL has enhanced the delivery of essential services by continuously monitoring systems, conducting regular reviews, timely application upgrades, data backups, vulnerability assessments, and security patch implementations.

Our cyber security and data privacy systems have been significantly upgraded. This includes deploying encryption on endpoints, implementing multi-layered threat protection, enforcing strong password policies through Azure AD (increasing password complexity from 8 to 12 characters and eliminating dictionary words), introducing remote password synchronisation, securely backing up critical user data, conducting regular security audits, and providing thorough employee training to prevent data breaches.



Additionally, we have established a Unified Service Desk where all stakeholders can report any incidents or discrepancies related to cyber security and data privacy for further action. This service desk can be accessed at <https://connectit.hfcl.com/>.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches.

No data breach instances have been reported during the FY24.

b. Percentage of data breaches involving personally identifiable information of customers.

Nil

c. Impact, if any, of the data breaches.

Not Applicable

Leadership Indicators

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

Website, social media, product manuals, datasheets, brochures, Customer Service Portal, Call Centre

i. <https://www.hfcl.com/>

ii. <https://www.linkedin.com/company/hfcl-limited/>

iii. <https://instagram.com/hfcllimited?igshid=NjIwNzlyMDk2Mg==>

iv. <https://io.hfcl.com/>

v. <https://www.linkedin.com/company/iobyhfcl/>

vi. <https://twitter.com/iobyhfcl?lang=en>

vii. <https://www.instagram.com/iobyhfcl/?hl=en>

viii. <https://www.hfcl.com/ofc/en-gb/>

ix. <https://www.hfcl.com/ofc/en-us/>

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

HFCL has developed user manuals and guides that are easy to comprehend, written in plain language, and include step-by-step instructions for safe and responsible usage. To further assist our customers, we offer multiple support channels, including a customer service portal, call centre, where consumers can ask questions about product usage or report any issues. For more complex products or services, we also provide product training sessions to ensure users are well-informed and confident in their usage.

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

HFCL leverages various channels i.e., social media platforms and public relations channels to communicate updates regarding potential disruptions or changes. Moreover, we employ email, phone, and WhatsApp to promptly address and resolve customer inquiries and concerns. This multifaceted approach ensures timely and effective communication with our stakeholders, maintaining transparency and responsiveness.

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, the product datasheet is shared along with quotation and cables are manufactured based on approved datasheet.

5. Did your entity carry out any survey regarding consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, a biannual survey of customer satisfaction was carried out.