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Independent Practitioner's reasonable assurance and Type 1 High assurance report on identified non-financial information included in Vakrangee Limited's Integrated Annual Report for the financial year ended 31 March 2024

To

The Board of Directors

Vakrangee Limited

Mumbai, Maharashtra, India

We have been engaged to perform assurance engagement for Vakrangee Limited ('Vakrangee' or 'the Company') vide our engagement letter dated 12 July 2024 to provide reasonable assurance in accordance with the International Standard on Assurance Engagements ('ISAE') 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') issued by the International Auditing and Assurance Standards Board ("IAASB") and Type 1 High Assurance in accordance with third version of AA1000 Assurance Standard ('AA100AS v3') issued by AccountAbility, on identified non-financial information included in the Integrated Annual report of the Company for the financial year ended 31 March 2024 (hereinafter referred to as the "identified Sustainability Information") prepared by management with reference to the Criteria stated below.

Identified Sustainability Information

The Identified Sustainability Information included in the Integrated Annual Report of the Company for the financial year ended 31 March 2024, is summarised as below:

Capital	Parameter	Performance Indicators	GRI Disclosure
Manufactured	Vakrangee Kendras	Active Transacting Vakrangee Kendras	GRI – 2
		Number of Vakrangee Kendras in General districts	

Capital	Parameter	Performance Indicators	GRI Disclosure
		Number of Vakrangee Kendras in Tribal districts/LWE districts/ Aspirational districts	
		Number of Master Franchisees	
	Vakrangee Kendra operating model	Number of Vakrangee Kendras with ATM model	GRI – 2
		Number of Vakrangee Kendras without ATM model	
		Only ATM model	
	Geographical Presence	Presence in Tier 4 & Tier 6 cities	GRI – 2
	Certifications	ISO 9001:2015 Quality Management System	GRI – 2
Human	Employee Details	Total Employees – Permanent	GRI – 2, 401, 405
		Average Age	
		Age – under 30 years	
		Age – 30-50 years	
		Age – above 50 years	
	Employees in Corporate Headquarter	Male	GRI – 2, 401
		Female	
		Male/Female ratio at corporate headquarter	
	State Office	Male	GRI – 2, 401
		Female	
	New Employees Hire	Male & Female	GRI – 401
	Employees Resigned	Male & Female	GRI – 401
	Training (HR induction, POSH, ESIC, PF, Human Capital Manual and Fire Fighting)	Number of employees trained	GRI – 404
		Training hours	
	Parental Leave	Female employees	GRI – 401
	Corruption	Incidents of corruption recorded at the organization	GRI – 205
	Complaints	Complaints regarding child labour, forced labour or sexual harassment	GRI – 408, 409
	Ratio of basic salary and remuneration of Male to Female – Corporate Headquarter	Average salary across organisation	GRI – 405
		Median salary across organisation	
		Median salary male/ female and ratio at corporate headquarter*	
		Average salary of Assistant Manager	
		Average salary of Manager	
		Average salary of Deputy General Manager	

Capital	Parameter	Performance Indicators	GRI Disclosure
		Average salary of General Manager	
		Average salary of Associate Vice President	
		Average salary of Vice President	
	Employee Satisfaction	Employees are satisfied with their job responsibilities;	GRI – 2, 401
		Employees are proud to work for Vakrangee	
		Employees can reach their full potential in this organisation by using their skillsets and expertise	
		Employees have a clear understanding of their career goals in Vakrangee	
		Employees feel that their manager encourages collaboration in the team;	
		Employees feel inspired and connected with the co-workers;	
		Employees feel their manager is committed to delivering good quality results	
		Employees feel their manager provides guidance and motivation whenever required;	
		Employees feel that they can count on their peers in need of help;	
		Employees feel that their manager assigns challenging assessments/projects to them;	
		Employees are satisfied with the compensation that is offered to them for their job role	
		The benefits that are provided to employees are commensurate with industry standards	
		Employees are allowed to take regular breaks in between their works	
		Employees have flexibility to take personal leaves whenever required	
		Employees who feel that they receive recognition from their managers for a good job	
		Employees are happy and satisfied at Vakrangee	
		Employees will recommend the Company to their friends and family	
	Fatalities	Fatalities as a result of work-related ill-health	GRI – 403
Intellectual	ISO Certifications	ISO/IEC 27001:2013 – Information Security Management System	GRI – 2

Capital	Parameter	Performance Indicators	GRI Disclosure
		ISO 20000-1:2018 – Information Technology Management System	
		ISO 9001:2015 – Quality Management System	
		ISO 27701:2019 – Privacy Information Management System	
		ISO 22301:2019 – Business Continuity Management System	
	ATM Transactions	White Label ATM transactions	
Social & Relationship	Kendra break-up as per services	BFSI	GRI – 203
		ATM	
		E-Commerce & Logistics	
	CSR spent	Activity – wise CSR spent	GRI – 413
	Franchisee Owner	Women	GRI – 2, 405
	Local Community	Kendras centered in Tier IV and Tier VI cities – Percentage	GRI – 2
	Grievance redressal mechanism	Recorded complaints from customers, third parties, regulatory bodies and local community members, concerning breach of customer privacy	GRI – 205, 418
		Recorded theft, identified leak or loss of customer data	
		Recorded complaints regarding unethical and unlawful behaviour	
	Sustainable Procurement	Suppliers assessed on their environmental and social impact	GRI – 308
	Certifications	ISO 37001:2016 – Anti-bribery Management System	GRI – 2, 403
		ISO 45001:2018 – Occupational Health and Safety Management System	
		ISO 20400:2017 – Sustainable Procurement Management System	
Natural	Energy	Direct Energy consumption	GRI – 302-1
		Indirect Energy Consumption	
	Emissions	Direct (Scope 1) GHG emissions	GRI – 305-1
		Energy indirect (Scope 2) GHG emissions	GRI – 305-2
	Green Building Initiatives	Rooftop Solar PV – KWh generated	GRI – 302-1
	Water	Water consumption at the Corporate Headquarter	GRI – 303-5
	Waste	Waste Generated (Corporate Headquarter) – Dry	GRI – 306-3

Capital	Parameter	Performance Indicators	GRI Disclosure
	Paperless Transactions	Waste Generated (Corporate Headquarter) – Wet	GRI – 306-4
		ATM transactions	
		Banking transactions	
	Paper Saved	Digital Annual Report	GRI – 306-4
		Quantity of paper saved (through paperless banking and ATM) for FY 23-24	
		ISO 14001:2015 – Environmental Management System	GRI – 2
	Certifications	ISO 20400:2017 – Sustainable Procurement Management System	
		ISO 50001 – Energy Management System	

Our assurance engagement is with respect to the financial year ended 31 March 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the Integrated Annual Report, therefore, do not express any opinion/conclusion thereon.

Boundary

- Boundary of the report for Identified Sustainability Information pertaining to Indirect energy consumption and Scope 2 emissions –
 - Corporate Office located in Mumbai (MIDC Office)
 - 4 regional offices located in Lucknow, Pune, Raipur and Rajasthan
 - 3 Company Owned Company Operated Outlets in Andheri, Jijamata and Parel
 - 3 guest houses located in Delhi, Ulwe and Andheri
 - 1 warehouse located in Bhiwandi
- Boundary for Identified Sustainability Information for other than Indirect energy consumption and Scope 2 emissions –
 - The Corporate Office located in Mumbai (MIDC Office)
 - 21,653 active Transacting Vakrangee Kendra outlets
 - 6,487 Vakrangee White Label ATMs
 - 437 Master Franchisees

Criteria

The Company has prepared the Identified Sustainability Information included in the Integrated Annual report, based on the principles of the International Integrated Reporting Framework published by the International Integrated Reporting Council ('IIRC') of the Value Reporting Foundation, with reference to Global Reporting Initiative ('GRI') Sustainability Reporting Standards ('the GRI Standards') issued by Global Sustainability Standards Board (GSSB).

Management's Responsibilities

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the Integrated Annual Report and the measurement of the Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Auditor's Independence and Quality Control

We are independent of the Company and have fulfilled our other ethical responsibilities in accordance with the requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (the 'IESBA Code') and have the required competencies and experience to conduct this assurance engagement.

Our firm applies International Standards on Quality Management ('ISQM') 1 - Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express a reasonable assurance in the form of an opinion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained. We conducted our reasonable assurance engagement in accordance with the ISAE 3000 (Revised). This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is free from material misstatement.

A reasonable assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Sustainability Information.

Our responsibility is also to provide Type 1 High Assurance in accordance with third version of AA1000 Assurance Standard ('AA1000AS v3') issued by AccountAbility which requires us to obtain sufficient evidence from internal and external sources and parties including stakeholders, and at all levels of organization to express a conclusion in a form that conveys whether based on the procedures performed and evidence obtained, the Identified Sustainability Information is prepared, in all material respects, with respect to GRI Standards and to conclude on the nature and extent of adherence of the Identified Sustainability Information to the AA Accountability Principles 2018 ("AA1000AP, 2018"), i.e., Inclusivity, Materiality, Responsiveness and Impact and report findings and conclusions thereon. Further, with respect to assessing the specified information at a high level of assurance, we will review the design of relevant processes, systems, and controls and available specified information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, our work procedures included the following:

- Physical site visit to the corporate office for document verification and sample visits to Kendras, Master Franchisees and ATMs.
- Interviewing senior executives and department heads to understand the reporting process, governance, systems and controls in place during the reporting period.
- Reviewing the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within our scope.

- Evaluating the suitability and application of Criteria and that the Criteria have been applied appropriately to the Identified Sustainability Information.
- Selecting key parameters and representative sampling, based on statistical audit sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
- Re-performing calculations to check accuracy of claims,
- Reviewing data from independent sources, wherever available,
- Reviewing data, information about sustainability performance indicators and statements in the report.
- Reviewing and verifying information/ data as per the IIRC framework;
- Reviewing accuracy, transparency and completeness of the information/ data provided;

Exclusions

Our assurance engagement scope excludes the following and therefore we do not express an opinion/ a conclusion on the same:

- Any disclosure other than those mentioned in the Identified Sustainability Information section above
- Data and information outside the defined reporting period
- Data related to Company's financial performance, strategy and other related linkages expressed in the Integrated Annual Report.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Opinion

Based on the procedures we have performed and the evidences we have obtained, Identified Sustainability Information included in the Integrated Annual Report for the financial year ended 31 March 2024, is prepared in all material respects, with reference to the Criteria.

Conclusion

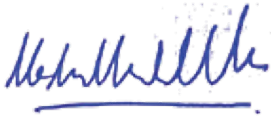
Our conclusions on the Integrated Annual Report's adherence to the AA1000 Accountability Principles of Inclusivity, Materiality, Responsiveness and Impact are as follows:

- **Inclusivity** – The Company has identified its key stakeholder groups based on the level of influence and impacts the company has on these stakeholder groups. However, they should implement a structured, documented process for stakeholder prioritisation.
- **Materiality** – The Company has reported on material topics across economic, environmental, social, and governance aspects, post stakeholder consultations. However, the process of obtaining stakeholders' feedback and determination of materiality score needs to be well documented.
- **Responsiveness** - The Company has demonstrated their commitment to understand stakeholder concerns, as evident from the various stakeholder consultation and engagement mechanisms that have been applied.

- **Impact** - The company acknowledges its impact on the wider society and has established policies and processes to measure, monitor and evaluate the economic, environmental and social impacts for select aspects material to the Company. The company communicates its performance across these aspects through its integrated annual report. It also evaluates its performance through scoring from organizations like Sustainalytics and S&P Global.

Restriction on use

The Assurance Statement is prepared by the Company's management solely for the purpose of inclusion in Annual Report of the Company for the year ended 2023-24. The Assurance statement issued by us shall be prepared and addressed to the Board of Directors of the Company at the request of the Company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, the Assurance Statement may not be suitable for any other purpose, and should not be used by any other party other than Board of Directors of the Company. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom the Assurance Statement is shown or into whose hands it may come without our prior consent in writing.

**Grant Thornton Bharat LLP**

Abhishek Tripathi

Partner

Dated: 31 August 2024

Place: Grant Thornton Bharat LLP

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