

Independent Limited Assurance Statement to Shyam Metalics and Energy Limited on their Business Responsibility & Sustainability Report FY2022-23

To the Management of Shyam Metalics and Energy Ltd., Kolkata, India

Introduction

Intertek India Private Limited ("Intertek") was engaged by Shyam Metalics and Energy Limited ("SMEL") to provide an independent limited assurance on its BRSR (Business Responsibility & Sustainability Report) for FY2022-23 ("the Report"). The scope of the Report comprises the reporting periods of FY2022-23. The Report is prepared by SMEL based on SEBI's (Securities and Exchange Board of India) BRSR guidelines. The assurance was performed in accordance with the requirements of International Federation of Accountants (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Objective

The objectives of this limited assurance exercise were, by review of objective evidence, to confirm whether any evidence existed that the sustainability related disclosures, as declared in the Report, were not accurate, complete, consistent, transparent and free of material error or omission in accordance with the criteria outlined below.

Intended Users

This Assurance Statement is intended to be a part of the Annual Report of Shyam Metalics and Energy Limited.

Responsibilities

The management of SMEL is solely responsible for the development of the Report and its presentation. Management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Intertek's responsibility, as agreed with the management of SMEL, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

The Assurance has been provided for selected sustainability performance disclosures presented by SMEL in its Report. The assurance boundary included data and information for the operations of SMEL in Jamuria and Sambhalpur in accordance with SEBI's BRSR guidelines. Our scope of assurance included verification of data and information on selected disclosures reported as summarized in the table below:



Section A: General Disclosures

- Total number of permanent employees.
- Total number of other than permanent employees.
- Turnover rate for permanent employees.
- Percentage of women in Board of Directors (%).

Principle 6 (Businesses should respect and make efforts to protect and restore the environment)

- Total electricity consumption
- Total fuel consumption
- Total volume of water withdrawn
- Total Scope 1 emissions
- Total Scope 2 emission.
- Total hazardous waste generated
- Total non-hazardous waste generated
- Total waste recovered through recycling, re-using or other recovery operations
- Total waste disposed

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

- Percentage of employees covered by Health insurance, accidental insurance, maternity, and paternity benefits.
- Percentage of employees covered under retirement benefits (PF and Gratuity).
- Return to work and Retention rates of permanent employees that took parental leave.
- Number of employees covered under Skill upgradation and H&S trainings.
- Safety related indicators

Assurance Criteria

Intertek conducted the assurance work in accordance with requirements of 'Limited Assurance' procedures as per the following standard:

- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.
- International Standard on Assurance Engagements (ISAE) 3410 for 'Assurance Engagements on Greenhouse Gas Statement

A limited assurance engagement comprises of limited depth of evidence gathering including inquiry and analytical procedures and limited sampling as per professional judgement of assurance provider. A materiality level of 10% was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

Methodology

Intertek performed assurance work using risk-based approach to obtain the information, explanations and evidence that was considered necessary to provide a limited level of assurance. The assurance was conducted by desk review & stakeholder interviews with regard to the reporting and supporting records for the fiscal year 2023 at SMEL Jamuria office. Our assurance task was planned and carried out during July-August 2023. The assessment included the following:

- Assessment of the Report that it was prepared in accordance with the SEBI's BRSR guidelines;
- Review of processes and systems used to gather and consolidate data;
- Examined and reviewed documents, data and other information made available at Jamuria office and digitally;
- Conducted physical interviews with key personnel responsible for data management;
- Assessment of appropriateness of various assumptions, estimations and thresholds used by SMEL for data analysis;



- Review of BRSR disclosures on sample basis for the reporting period of 1st April 2022 to 31st March of 2023 for SMEL was carried out onsite at SMEL’s Jamuria office;
- Appropriate documentary evidence was obtained to support our conclusions on the information and data reviewed.

Conclusions

Intertek reviewed selected BRSR disclosures provided by SMEL in its Report. Based on the data and information provided by SMEL, Intertek concludes with limited assurance that there is no evidence that the sustainability data and information presented in the Report is not materially correct. The report provides a fair representation of BRSR disclosures and is in accordance with the SEBI’s BRSR guidelines to the best of our knowledge.

Intertek’s Competence and Independence

Intertek is a global provider of assurance services with a presence in more than 100 countries employing approximately 43,500 people. The Intertek assurance team included competent sustainability assurance professionals, who were not involved in the collection and collation of any data except for this assurance opinion. Intertek maintains complete impartiality towards any people interviewed.

For Intertek India Pvt. Ltd.



Sumit Chowdhury
Technical Manager-Sustainability
Intertek Assuris



Elizabeth Mielbrecht
Project Director
Intertek Assuris

9th September 2023

No member of the verification team (stated above) has a business relationship with Shyam Metals & Energy Ltd. stakeholders beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

