BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:** L65922MH1989PLC052257
2. **Name of the Company:** LIC Housing Finance Limited
3. **Registered Address:** Bombay Life Building, 2nd Floor, 45/47, Veer Nariman Road, Fort, Mumbai 400001.
4. **Website:** www.lichousing.com
5. **E-mail id:** lichousing@lichousing.com
6. **Financial Year Reported:** 1st April, 2016 to 31st March, 2017.
7. **Sector that the Company is engaged in (Industrial activity code-wise):**

   Housing Finance
8. **List three key products/ services that the Company manufactures/ provides (as in Balance Sheet):**

   Housing loan to Individuals, Housing loan to Builders/ Developers, Loan against Property
9. **Total number of locations where business activity is undertaken by the Company:**

   Number of National Locations: LIC Housing Finance Limited (LICHFL) is spread across the entire nation with 7 Regional Offices, 21 Back Offices, 245 Marketing Offices and 1 Customer Service Point.

   Number of International Locations: LICHFL has overseas representative office at Dubai and Kuwait.
10. **Markets served by the Company:**

    India, UAE (Dubai) & Kuwait

Section B: Financial Details of the Company

1. **Paid up Capital:** ₹ 100.93 crore
2. **Revenue from Operations:** ₹ 13,986.94 crore
3. **Profit after Taxes:** ₹ 1,931.05 crore
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 0.87 percent.
5. **List of activities in which expenditure in 4 above has been incurred:**

   The activities towards which the company has contributed are hereunder:

Sr. No.	CSR Project or Activity identified	Sector in which the project is covered
1.	Contribution to Lala Jagat Narain Himotkarsh Kanya Mahavidalaya Shiksha Samiti towards setting-up of Information Technology -cum-digital centre.	Education and Empowering women
2.	Contribution to Tarun Bharat Sangh for their project of Making Climate Resilient Communities in Rivulet Agrani Basin of Maharashtra through Integrated Natural Resource Management and continuation of support for the second year of the project namely "Adapting to Climate Change through Water Management in Eastern Rajasthan".	Ensuring environmental sustainability, conservation of natural resources by water harvesting, making available safe drinking water
3.	Contribution made to the Corpus fund of DEEDS (Development Education Empowerment of The Disadvantaged In Society) Public Charitable Trust to their corpus fund, for the purpose of ensuring continuous support for their various programmes to provide education, skill training facilities for the hearing handicapped and to provide employment to the Deaf.	Providing education, skill training facilities for the hearing handicapped
4.	Contribution made to Concern India Foundation for providing educational support for 606 marginalized children studying in three government schools in Hyderabad with the purpose of enhancing their qualitative learning.	Promoting education
5.	Contribution to Thirumalai Charity Trust (TCT)/Thirumalai Health Mission(THM) for their project Rural Community Centered Prevention, Care and Control of Non Communicable Diseases	Promoting Health care including preventive health care
6.	Contribution to Akshaya Patra Foundation for sponsorship of a Delivery Van for the purpose of transportation of cooked mid-day meals to the students of government schools	Eradicating hunger, malnutrition and Promoting Education
7.	Contribution to Sulabh Sanitation Mission Foundation for construction of 130 Internal House Hold Latrines (IHHT) and construction of Two Toilet Complexes at Amritsar	Promoting sanitation

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Sr. No.	CSR Project or Activity identified	Sector in which the project is covered
8.	'Say Trees' Environmental Trust for plantation of 10,000 saplings to enhance forest cover.	Ensuring environmental sustainability, ecological balance
9.	Advait Foundation, for the projects namely 'One Pack in Each Rack' (sanitary napkins project plant project) and 'My Skills My Life' (skill development of the local rural youth in computer based interventions and Information Technology).	Promoting health care and sanitation, enhancing vocational skills, Empowering women
10.	Nana Palkar Smruti Samiti for the purpose of contribution to the corpus fund for extending medical Aid to poor patients	Promoting health care
11.	Swachh Bharat Kosh	Environment protection and Sanitation
12.	Contribution to Prime Minister's National Relief Fund	Socio-economic development and relief, welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women.
13.	Contribution to Savitribai Phule Mahila Ekatma Samaj Mandal for their project Jal Abhiyan 2017 covering 15 villages	Ensuring environmental sustainability, conservation of natural resources by water harvesting, making available safe drinking water
14.	Contribution to Mahatma Phule Krushi Pratishthan for their River and Nalla Deepening and Widening project covering 26 villages	Ensuring environmental sustainability, conservation of natural resources by water harvesting, making available safe drinking water

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?
   Yes

2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary companies.

   Yes, the four subsidiary companies of the Company participates in the Business Responsibility initiatives of LICHFL. One subsidiary company namely, LICHFL Care Homes Limited, directly participates in the BR initiatives. The subsidiary Companies which fall under the purview of the CSR provisions also make contribution under CSR.

3. Do any other entity/ entities (e.g. suppliers, distributors etc) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30 percent, 30-60 percent, More than 60 percent]

   The Company encourages the suppliers and distributors to participate in the Company's BR initiatives but does not mandate them to participate.

Section D: BR Information

1. Details of Director/ Directors responsible for BR
   - **a. Details of the Director/ Directors responsible for implementation of the BR policy/ policies:**
     The Board of the Company is collectively responsible for the implementation of the BR policies of the Company.
   - **b. Details of the BR head:**

Sr. no.	Particulars	Details
1.	DIN Number	02425847
2.	Name	Vinay Sah
3.	Designation	Managing Director & CEO
4.	Telephone number	022-22189214
5.	e-mail id	pa.mdceo@lichousing.com

2. **(Principle – wise (as per NVGs) BR Policy/ policies (Reply in Y/N):**

   The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

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P1	Businesses should conduct and govern themselves with ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sr no.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for the above principles	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards?	All the policies conforms to the best practices in the industry.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.lichousing.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes the policies have been communicated to concerned stakeholders. The company ensures to keep the communication as an on-going process.								
8.	Does the company have in-house structure to implement the policy / policies?	Yes, the company has an in-house structure to implement the policy / polices and the Board of Directors review the same.								
9.	Does the company have a grievance redressal mechanism related to the policy / policies to address stakeholder grievances related to the policy / policies?	Yes, the company has a full fledged grievance redressal mechanism to address grievances of different stakeholders at different level.								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The company is in the process of engaging and independent external agency to evaluate the impact of the CSR Contributions made by the Company.								

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

  Annually

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

  Businesses Responsibility Report forms part of the Annual Report and is published annually. The hyperlink for viewing the report is http://www.lichousing.com/annual_report.php

Section E: Principle-wise performance

Principle 1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

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1. **Does the policy relating to ethics, bribery and corruption cover only the company?**

   The Company believes in value based governance and practices. It is committed to maintain the highest standards of ethics in all spheres of its business activities. The Board of Directors and senior management have a responsibility to set exemplary standards of ethical behavior, both internally within the organization, as well as in their external relationships. Management makes constant endeavor to inculcate this ethical behavior at all

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levels in the organization so that it becomes an essential part of the work culture among all its employees. Every employee of the Company shall conduct himself / herself and deal on behalf of the Company with professionalism, honesty and integrity, while conforming to high moral and ethical standard.

All business decisions and transactions shall be fair, transparent and amenable to disclosure and be visible to relevant stakeholders. The Company believes that transparency means explaining its policies and actions to those to whom it has responsibilities. Therefore, the Company ensures maximum appropriate disclosures without jeopardizing the Company's strategic interests. Internally, transparency means openness in Company's relationship with its employees as well as the conduct of its business in a manner that will bear scrutiny. The Company believes that transparency enhances accountability. Everything it does must stand the test of public scrutiny.

Empowerment is an essential component of the Company's principle of governance that management must have the freedom to take the enterprise forward. Empowerment unleashes creativity and innovation throughout the organization by truly bestowing decision-making powers at the most appropriate levels in the organizational hierarchy. The Board of Directors is accountable to the shareholders and the management is accountable to the Board of Directors. Each executive and employee is similarly accountable for the functions and responsibilities entrusted to him / her. The Company believes that empowerment coupled with accountability, provides the impetus to performance and effective Corporate Governance.

Does it extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

All companies in LICHFL group endeavour to ensure that their business decisions and transactions are fair, transparent, and amenable to disclosure and visible to relevant stakeholders. The companies in LICHFL group ensure maximum appropriate disclosures without jeopardizing the Company's strategic interests.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

   10475 complaints were received (including opening outstanding complaints) during the year 2016-17, from various stakeholders namely shareholders, deposit holders, investors and customers. Out of the total complaints, 10401 complaints, working out to 99.29 percent were satisfactorily resolved.

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company always believes in integrating its business values and operations to meet the expectations of its customers, employees, investors, stakeholders and public at large. The Company provides and maintains a clean, healthy and safe working environment for employees, customers, stakeholders, investors and the community at large. The Company strives to consistently enhance its value proposition to the customers and adhere to its promised standards of service delivery.

The biggest social responsibility of helping people to have their own shelter is the main objective of the Company. To facilitate the same, the Company has been providing loans to home buyers at competitive rates of interest through its various schemes. The Company through this social objective has implications for the healthy growth of households, their optimism and investment opportunities thereby creating an environment conducive to a positive outlook in society.

1. **List upto 3 products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.**

   a. Apna Ghar LIG (Scheme on the lines of Pradhan Mantri Awas Yojana):

   Housing for All is a vision of Prime Minister of India where all facilities will be provided in a place. As per the Urban Development Ministry, as many as 2,508 cities in 26 states have been selected under 'Pradhan Mantri Awas Yojana' for providing affordable houses to the urban poor. Having regard to the above vision of the Prime Minister the Company has introduced Apna Ghar LIG Scheme wherein Housing loan for new construction and addition of rooms, kitchen, toilet etc to existing dwelling as incremental housing is provided to individuals belonging to Low Income Group (LIG), whose household annual income is between ₹3, 00,001 (₹ Three Lakhs One) to ₹6,00,000 (₹ Six Lakhs) at subsidized rate of interest of 6.50% for a tenure of maximum 20 years without processing fees. The carpet area of the house being constructed/acquired under this component is up to 60 square meter. The beneficiaries at his/ her discretion can build a house of larger area but interest subvention would be limited to first ₹6 Lakhs only. The Company funds upto 85% of the cost of the property subject to maximum ₹6, 00,000/- (₹ Six Lakhs).

   b. Apna Ghar EWS (Scheme on the lines of Pradhan Mantri Awas Yojana)

   Another scheme which has been designed having regard to the Prime Minister's Vision of Housing for All is Apna Ghar EWS scheme under which Housing

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loan may be availed for new construction and addition of rooms, kitchen, toilet etc to existing dwelling as incremental housing. The carpet area of the house being constructed/acquired under this component is up to 30 square meter. The beneficiaries at his/her discretion can build a house of larger area but interest subvention would be limited to first ₹6 Lakhs only. Beneficiaries will be provided interest subsidy at the rate of 6.50% for a tenure of maximum 20 years without processing fees. Beneficiary would belong to Economically Weaker Section (EWS) whose household annual income should not be more than ₹3, 00,000/- (₹ Three Lakh per annum). The Company funds upto 85% of the cost of the property subject to maximum ₹6, 00,000/- (₹ Six Lakhs).

c. Affordable Housing Finance Scheme

In line with Government of India's mission "Housing for all by 2022" and our consistent focus on the core housing loan schemes, the Company had launched "Affordable Housing Finance Scheme" on 1st January 2017. The Scheme was designed to finance purchase of ready to move-in or nearing possession flats/housing units. Under this Scheme, the loan was granted at lower rate of interest with Zero processing fees. The Company could disburse ₹2862 crs under this scheme.

2. **For each product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional)**

Since the Company is not involved in any manufacturing activity, the reporting on use of energy, water, raw material etc. is not applicable. However, while considering financing housing project these factors are given due importance.

It may be mentioned here that the Company minimises the consumption of electrical energy and natural resources and shall strive to prevent pollution of air, water and land. The Company would commit all the necessary resources required to meet the goals of Corporate Social Responsibility. It is an opportunity for the company to create or shore up a pack of intangibles – reputation, brand image, trust or the capacity to innovate, to build partnerships – all recognised as critical drivers of value creation in today's complex and fluid business environment. The Company uses energy efficient products wherever it is required. Also the company encourages paperless methods and limits the use of papers wherever possible and also re-uses the waste papers to the extent possible.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

Since the Company is not involved in any manufacturing activity, the reporting on sustainable sourcing is not applicable.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

LICHFL wherever practically possible and feasible, has tried to improve the capacity and capability of local and small vendors by patronizing them to supply / provide different services required by the Company for its day to day administration / operation.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5 percent, 5-10 percent, >10 percent). Also, provide details thereof, in about 50 words or so.**

Since the Company is not involved in any manufacturing activity, the reporting on recycle mechanism is not applicable. However the IT wastes are outsourced to an agency which disposes off the wastes as per proper waste disposal mechanism. Also the old papers and documents are scrapped in a manner such that they may be recycled. The Company minimises the consumption of electrical energy and natural resources and strives to prevent pollution of air, water and land.

Principle 3

Businesses should promote the wellbeing of all employees

1. **Please indicate the total number of employees:**

Total number of employees as on 31st March, 2017 is 1,833.

2. **Please indicate the total number of employees hired on temporary/contractual/ casual basis:**

98 are hired on a contractual basis.

3. **Please indicate the number of permanent women employees:**

534 are permanent women employees in the company as on 31st March, 2017, which constitute 29.13 percent of the total permanent employee strength of the Company.

4. **Please indicate the number of permanent employees with disabilities:**

4 permanent employees with disabilities are engaged with the company as on 31st March, 2017.

5. **Do you have an employee association that is recognized by management?**

There is no employee association. However mechanisms are in place for employees to represent their issues, if any, and the same is resolved amicably.

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6. **What percentage of your permanent employees is members of this recognized employee association?**

   Not applicable.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sl. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/ forced labour/ involuntary labour	LICHFL does not hire child labour, forced labour or involuntary labour – No reported case	Not Applicable
2.	Sexual harassment	None	Not Applicable
3.	Discriminatory employment	None	Not Applicable

8. **What safety & skill up-gradation training was provided in the last year?**
   - **Permanent employees**
   - **Permanent Women employees**
   - **Casual/ Temporary/ Contractual employees**
   - **Employees with disabilities**

Internal training for upgrading and enhancing the skills and knowledge level was given to different categories of employees consisting of 22 training programmes covering 658 employees.

Principle 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1. **Has the company mapped its internal and external stakeholders?**

   The Company's key stakeholders include promoters, employees, customers, business associates, marketing Agents, recovery agents, investors, suppliers, regulatory agencies, CSR implementation agencies and local communities around its sites of operations. The Investors comprise of shareholders (including Institutional Investors, corporate bodies, domestic and foreign institutional investors, foreign bodies etc.).

   The Company values the support of its stakeholders and respects the interests and concerns they have towards it. The Company and its employees strive to provide value-based services to the stakeholders.

   The Company has continuous engagement with its various stakeholders to understand their concerns and assess their requirements and respond to their needs in an effective manner

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?**

The Company through its CSR activities partners through NGOs for catering to the needs of common people and especially of marginalised group. It undertakes several initiatives to engage with and ensure sustainable development of the marginalised groups in the local communities around its sites of operations. As a part of Corporate Social Responsibility, the Company shall continue to provide:

Education: Help in setting up formal schools with proper sanitation, Balwadis for elementary education, free distribution of text books and note books, girl education etc.

Health: Primary health care centers, Mother and Child care projects, Immunisation programmes with a thrust on polio eradication, Health care for visually impaired, and physically challenged, Preventive health through awareness programmes and preventing malnutrition among infants and adults etc.

Sustainable Livelihood: Formation of Self Help Group, Groups for women empowerment, Agriculture development through sustainable agricultural practices, organic farming, designing vermin compost, Making farmers aware of their legitimate margin of their produce and to free them from being exploited by market intermediaries

Infrastructure Development project: The Company would endeavour to set up essential services that form the foundation of sustainable development through basic infrastructure facilities like housing facilities, safe drinking water, sanitation & hygiene and renewable sources of energy.

Social Change (project): To bring about Social Change the Company would advocate and Support Dowry less marriage, Widow remarriage, Mass marriage, awareness programmes on anti-social issues, De-addiction campaigns and programmes

Environment sustainable (project): The Company would take steps or measures in order to make environment sustainable project and would advocate and support Plantation of trees, Making people aware of hazards of use of plastic, Encouraging to go green through less usage of paper, Awareness programmes on hazards of usage of pesticides, chemical and artificial colours and agents in food and drinks.

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Ecological balance (project): The Company would would advocate and support Awareness programmes on cleanliness of ponds and rivers, unauthorized mining, land grab, increasing ground water level, increasing number of forest areas.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.**

   The Company through its CSR initiative via Development Education Empowerment of the Disadvantaged In Society (DEEDS) Public Charitable Trust, Akshaya Patra Foundation, Advait Foundation, Nana Palkar Smruti Samiti has supported various programmes to provide education, skill training facilities for the hearing handicapped and to provide employment to the Deaf; has sponsored a Delivery Van for the purpose of transportation of cooked mid-day meals to the students of government schools; supported in setting up of sanitary napkins project plant; supported skill development of the local rural youth in computer based interventions and Information Technology; has extending medical Aid to poor patients for their treatment.

   A proper and effective redressal mechanism is available at different level for the stakeholders to take up their issues, if any. Formal and informal consultations / meetings are held with the different stakeholders at different management level to obtain their ideas, views and opinions for better handling of their interests. The Company also has its own Customer Relationship Management (CRM) portal namely TALISMA which acts as an interface between the aggrieved customer and the Company. The services to the Employees who also are very important stake holders to the Company are provided through the Company's eHRMs and HRmantra intranet portals.

Principle 5

Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   The Company appreciates that Human rights are inherent, universal, indivisible and Interdependent in nature. The spirit of Fundamental Rights is imbibed in the Company's policies and systems. The Company strives to adhere to the Human rights laws and guidelines of Human Rights.

   The Company shall integrate respect for Human rights in management systems and ensure that all individuals impacted by the business have access to grievance redressal mechanisms.

   The Company shall, within its sphere of influence, promote the awareness and realization of human rights across its value chain. It shall ensure compliance and adherence to all the applicable human rights laws and national laws. The Company's policies strive to percolate these values at all levels in the organisation.

   The Company conducts business in a manner that respects the rights and dignity of all people, complying with all legal requirements.

   The policy is applicable to the Company and its group, and vendors. It is committed to developing a culture where it implements a policy of respect and support for Human rights.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company has not received any complaint from stakeholders in this regard.

Principle 6

Businesses should respect, protect and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others..**

   The Company, commits itself to take all necessary initiatives towards optimization and continual reduction in utilization of natural resources and also manmade resources. The Company is determined to focus its attention to achieve the goal of "Reduce, Reuse and Recycle" in its entire operation / process for sustainable development. The Company is committed to put efforts towards renewable resources to avoid depletion of natural resources. The Company shall comply with all legal / regulatory requirements related to environment protection, management and sustainable development.

   The Company is fully aware of the direct and indirect environmental impacts of its operations and considers it as a major criterion in all its decisions. The Company being in the business of granting housing loans encourages housing projects which are environmentally safe and secure. The Company has contributed a large portion of its CSR Contribution towards projects in the field of water conservation, water harvesting and restoration of the ground water levels.

2. **Does company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.?**

   Not applicable since the Company is engaged in providing finance for construction / purchase of house / flat. However as part of its CSR initiative the

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Company intends to appraise such projects which serves environmental sustainability.

However, it may be mentioned here that the Company has opted for efficient processes in order to minimize impact on the environment. Energy efficiency shall be given high priority for selecting or changing over to new system to have less carbon emission initiatives.

The Company has replaced old models of computers, printers, and other equipment which were consuming between 50 to 90 percent more energy than newer energy-efficient models. This has ensured reduction in energy consumption and resultant saving in costs.

Air conditioning equipment is cleaned and serviced on routine basis thereby saving energy and costs and giving required cooling.

The office has LED lights and after office hours, only the required lights and air conditioning is used thereby saving energy and minimizing energy wastage.

The Company has actively funded projects in the area of water conservation, water harvesting and restoration of the ground water levels which is an important contributory towards climate change, global warming.

The Company has also taken an initiative to plant 10,000 saplings to enhance forest cover at Bagepalli region of Karnataka and has done its bit in the endeavour to reduce global warming and tackle climate change.

3. **Does the company identify and assess potential environmental risks?**

   Yes, LICHFL is fully aware of the direct and indirect environmental impacts of its operations and considers it as a major criterion in all its decisions. The Company being in the business of granting housing loans encourages housing projects which are environmentally safe and secure. Further the CSR Committee of the Company has been active in funding environmentally sustainable projects as it intends to do its bit in addressing the issue pertaining to environmental sustainability.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   The Company directly does not have any project related to Clean Development Mechanism, however the Company has contributed ₹2,00,00,000/- in Swachh Bharat Kosh and has also extended contribution to a projects namely "Making Climate Resilient Communities in Rivulet Agrani Basin of Maharashtra through Integrated Natural Resource Management" while continuing its support for the second year to the four year project namely "Adapting to climate change through water harvesting in Eastern Rajasthan" in partnership with Tarun Bharat Sangh, an organisation which is run by the "Waterman of India" Dr. Rajendra Singh, the recipient of the reputed Stockholm water prize (prestigious award that recognizes outstanding achievements in water related activities the equivalent to Nobel Prize in the field of water) under its CSR initiative. Apart from the above the Company has also extended contribution to Savitribai Phule Mahila Ekatma Samaj Mandal, for their project Jal Abhiyan 2017 covering 15 villages spread over the districts of Aurangabad and Jalna and Mahatma Phule Krushi Pratishthan, for their River and Nalla Deepening and Widening project covering 26 villages in Aurangabad District.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page, etc.**

   The Company has replaced old models of computers, printers, and other equipment which were consuming between 50 to 90 percent more energy than newer energy-efficient models. This has ensured reduction in energy consumption and resultant saving in costs.

   Air conditioning equipment is cleaned and serviced on routine basis thereby saving energy and costs and giving required cooling.

   The offices has LED lights and after office hours, only the required lights and air conditioning is used thereby saving energy and minimizing energy wastage.

   The Company under its CSR initiative has also planted 10000 to enhance its forest cover and also have contributed towards four projects in the field of water conservation, water harvesting, river rejuvenation, recharge of ground water level and creation of decentralized water harvesting structures.

6. **Are the Emissions/ Waste generated by the company within the permissible limits given by CPSB/ SPCB for the financial year being reported?**

   Not applicable.

7. **Number of show cause/ legal notices received from CPSB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   NIL.

Principle 7

Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

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1. **Is your company a member of any trade and chamber or association?**

   The Company presently is not a member of any trade and chamber or association.

2. **Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   Not applicable.

Principle 8

Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof:**

   LICHFL functions on the principles of inclusive growth and equitable development. By opening offices throughout the length and breadth of the country, including rural areas, the Company is trying in its own way to contribute to the overall development of the country. The Company has implemented rural housing scheme of NHB for development of the rural areas. The Company has been offering appropriate products especially for vulnerable and marginalized sections of the society. Further the Company as part of its CSR initiative, contributes towards projects with an intention to benefit the poor and marginalised in the society and looks to bring them in the main stream. The Company has extended its contribution to Concern India Foundation for the purpose of providing educational support for 606 marginalized children studying in three government schools in Hyderabad with the purpose of enhancing their qualitative learning, DEEDS (Development Education Empowerment of the Disadvantaged In Society) Public Charitable Trust for supporting the various programmes to provide education, skill training facilities for the hearing handicapped and to provide employment to the Deaf.

2. **Are the programmes/ projects undertaken through in-house team/ own foundation / external NGO / Government structures / and any other organisation?**

   The Company as a part of its Corporate Social Responsibility (CSR) initiative has identified and partnered with various Implementation Agencies (NGOs) for carrying out various projects pertaining to education, health care, women empowerment, water harvesting, setting up of IT labs and training centres, providing employment to hearing handicapped people. Further, the Company has also contributed towards Swachh Bharat Kosh and Prime Minister's National Relief Fund. Moreover, the Company's own subsidiary namely, LICHFL Care Homes Limited's main objective is to build assisted living centres for the elderly and provide them with a roof at a competitive price, for a peaceful and enjoyable retired life support growth and inclusive development.

3. **Have you done any impact assessment of your initiative?**

   The Company as part of its CSR expenditure monitoring initiative has called for quarterly reports from the various Implementation agencies (NGOs) with which it has partnered while expending its CSR funds. The Implementation agencies (NGOs) submit their report with details of all those beneficiaries who have benefitted from the project and also the overall implementation of the project. At the time of appraisal of the CSR projects the representatives of the Company conduct a field visit to the project site and try to assess the overall feasibility of the project which is considered to be funded. The Company is in the process of engaging an agency for analysing the impact of the CSR contributions made by the Company. The agency would provide its report on the impact on the society through the CSR contributions made by the Company.

4. **What is your company's direct contribution to community development projects – Amount in INR and the details of the project undertaken?**

   The Company as part of its CSR initiative has funded Thirumalai Charity Trust (TCT)/Thirumalai Health Mission (THM) for their project, namely, Rural Community Centred Prevention, Care and Control of Non Communicable Diseases. The project also includes formation of Community Based Organisation and spreading of awareness throughout the local community. The Company has also partnered with Tarun Bharat Sangh which is an NGO headed by Dr. Rajendra Singh also known as the "Waterman of India" for a project namely " Adapting to Climate Change through water harvesting in Eastern Rajasthan" which involves forming 90 Rain Water Harvesting Structure constructed in the 30 project villages. The Company also extended its Contribution to Tarun Bharat Sangh by funding another project namely "Making Climate Resilient Communities in Rivulet Agrani Basin of Maharashtra through Integrated Natural Resource Management" the said project also involves community participation in creating decentralised water structure. The Company has also provided its CSR funds to Lala Jagat Narain Himotkarsh Kanya Mahavidalaya Shiksha Samiti for setting-up of Information Technology-cum-digital centre in order to impart training to students of the College and use infrastructure for benefit requirements of the institution/students. Contribution have also been made to Advait Foundation for setting up a sanitary napkins project plant and also contributed to setting up a digital academy for skill development of the 1000 local rural

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youth of Jagdishpur panchayat West Bengal in computer based interventions and Information Technology. Further the Company through its subsidiary LICHFL Care Homes Limited, is engaged in Community Development Project. The main objective of LICHFL Care Homes Limited is to establish & operate assisted community centres for senior citizens in major cities across India. The said Company has been working towards ensuring comfort, privacy and security to the elderly citizens along with their dignity and independence. LICHFL Care Homes Limited had taken up two projects, one in Bangalore and another in Bhubaneswar. The project at Bangalore is an eco-friendly campus promoting Shelter & Freedom from routine chores, social interaction and harmonious companionship among residents and also providing comprehensive services. The project consists of 98 cottages and 144 flats divided into 4 blocks of 2BHK and 3BHK at economical prices. The project includes on-campus amenities and cost-effective independent cottages fully structured and self-contained with library, community centre, home theatre, meditation centre and ambulance on campus. The project in Bhubaneswar consists of 240 flats of 1BHK, 2BHK and 3BHK and construction is in full swing, expected to be completed soon. All the 240 flats have been sold out.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

   Yes, The Company has partnered with such Implementation Agencies, while extending its CSR contribution, which has considerable past track record in the same area/nature of work in relation to which the Company is extending contribution. The said implementation agencies in their respective quarterly reports have reported the successful implementation of the projects. Further with regard to the LICHFL Care Homes Limited's project(s) to establish & operate assisted community centres for senior citizens in major cities across India, the development initiative is being welcomed and has been successfully adopted by the community mainly because of increase in life expectancy and increase in number of senior citizens year after year. The concept of nucleus family has become prevalent almost throughout India. Parents prefer to maintain their own privacy and enjoy their social life amongst their peer group. Also children employed out of India and their parents not willing to shift out of India prefer such community homes for their parents wherein the senior citizens' social needs, medical needs and emotional needs are taken care of. This fact is confirmed by the response to the project in both Bangalore and Bhubaneswar wherein the projects were fully sold out within a short period.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/ consumer cases are pending as on the end of the financial year?**

   Percentage of customer complaints pending as on 31st March, 2017 – 0.28 percent.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws?**

   LICHFL is a housing finance company and hence this question is not applicable. However, features of housing loan schemes are disclosed to the applicant before financing. The company also displays the information pertaining to the basket of products at a conspicuous location at each of its offices across India.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

   There is no such instance.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   The Company has not carried out any consumer survey/ consumer satisfaction trends.