

# Business Responsibility Report

## ANNEXURE E

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identification Number (CIN)	L65100TN1949PLC002905		
2	Name of the Company	Cholamandalam Financial Holdings Limited (Formerly, T1 Financial Holdings Limited)		
3	Registered office address	'Dare House', No. 234, N S C Bose Road, Chennai – 600 001		
4	Website	www.cholafhl.com		
5	E-mail ID	investorservices@cfhl.murugappa.com		
6	Financial Year reported	April 1, 2018 to March 31, 2019		
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	<b>NIC Code</b>	<b>Group</b>	<b>Description</b>
		K	6430	Investment Activity
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Investment		
9	Total number of locations where business activity is undertaken by the Company	1		
	(a) Number of International Locations (Provide details of major 5)	Nil		
	(b) Number of National locations	1		
10	Markets served by the Company	National		

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up capital (INR)	₹ 18.77 Crore
2	Total Turnover (INR)	₹ 73.52 Crore
3	Total profit after taxes (INR)	₹ 66.53 Crore
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.10%
5	List of activities in which expenditure in 4 above has been incurred	Please refer CSR Report.

### SECTION C: OTHER DETAILS

1	Does the Company have any subsidiary company/companies?	Yes. Please refer Board's report for details.
2	Do the subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
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%, 30-60%, More than 60%]	No

## 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	
1.	DIN	01814413
2.	Name	Sridharan Rangarajan
3.	Designation	Director
4.	Telephone Number	044 - 25306204
5.	E-mail Id	sridharanr@corp.murugappa.com
(b)	Details of the BR head	Same as above

### 2. Principle-wise (as per NVGs) BR Policy/ Policies:

The 9 areas of business responsibility enunciated under the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs are:

Principle ("P")	Area of BR
1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability;
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle;
3	Businesses should promote the well-being of all employees;
4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized;
5	Businesses should respect and promote human rights;
6	Business should respect, protect and make efforts to restore the environment;
7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner;
8	Businesses should support inclusive growth and equitable development;
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

### 2a. Details of compliance:

No.	Questions	P.1	P.2	P.3	P.4	P.5	P.6	P.7	P.8	P.9
1	Do you have policy/policies for....	√	√	√	√	√	√	√	√	√
2	Has the policy been formulated in consultation with the relevant stakeholders?	√	√	√	√	√	√	√	√	√
3	Does the policy conform to any national / international standards?	√	√	√	√	√	√	√	√	√
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	√	√	√	√	√	√	√	√	√
5	Does the Company have a specified Committee of the Board/Director/Official to oversee the implementation of the policy?	√	√	√	√	√	√	√	√	√
6	Indicate the link for the policy to be viewed online?	<a href="http://www.cholafhl.com/article/investors/688">http://www.cholafhl.com/article/investors/688</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	√	√	√	√	√	√	√	√	√
8	Does the Company have in-house structure to implement the policy/policies?	√	√	√	√	√	√	√	√	√
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	√	√	√	√	√	√	√	√	√
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	X	X	X	X	X	X	X	X	X

**2b. If answer to Sl. No. 1 against any principle, is 'No', please explain why:**

No.	Questions	P.1	P.2	P.3	P.4	P.5	P.6	P.7	P.8	P.9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	It is planned to be done within the next 1 year	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

**3. Governance related to BR**

a)	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.	The BR performance is assessed annually.
b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes. The report is published annually and is available on the website of the Company at <a href="http://www.cholafhl.com/article/investors/688">http://www.cholafhl.com/article/investors/688</a>

**SECTION E: PRINCIPLE-WISE PERFORMANCE**
**Principle 1 - Ethics, Transparency & Accountability**

a)	Does the policy relating to Ethics, Bribery and Corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	Yes. The Company being a part of the Murugappa Group, is driven by the Group's guiding principles viz., integrity, passion, quality, respect and responsibility. The Company follows ethics, transparency & accountability in its business conduct. The Company has framed a code of conduct and policies to reinforce these values. The subsidiary / associate / joint venture are governed by their respective policies.
b)	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.	Ten investor complaints were received during the financial year. All the complaints were satisfactorily resolved by the management.

**Principle 2 - Safety and sustainability of goods & services**

a)	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Not applicable. As an investment company, it offers financial and risk management services through its subsidiary / joint venture companies. The services offered by these companies enhance the livelihood of people by mitigating financial need and insurance coverage of health and assets.
b)	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	Not applicable
	(i) Reduction during sourcing / production/ distribution achieved since the previous year throughout the value chain?	-
	(ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	-
c)	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?	Not applicable
d)	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?	The Company is a holding and an investment company with limited operations. Services are procured from local vendors including communities surrounding the work place, wherever feasible.
e)	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%, 5-10%, >10%).	Not applicable

### Principle 3 - Promotion of wellbeing of employees

a)	Please indicate the total number of employees.	2
b)	Please indicate the total number of employees hired on temporary/contractual/casual basis.	Nil
c)	Please indicate the number of permanent women employees.	1
d)	Please indicate the number of permanent employees with disabilities.	Nil
e)	Do you have an employee association that is recognized by management?	No
f)	What percentage of your permanent employees is members of this recognized employee association?	Not applicable
g)	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.	No complaints relating to child labour, forced labour, involuntary labour and sexual harassment were received during the year.
h)	What percentage of your employees were given safety & skill up-gradation training in the last year?	Nil
	• Permanent Employees (includes women employees and employees with disabilities)	Not applicable
	• Casual/Temporary/Contractual Employees	Not applicable

### Principle 4 - Responsiveness towards stakeholders

a)	Has the Company mapped its internal and external stakeholders?	Yes. The Company has processes and procedures in place to engage with the stakeholders.
b)	Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?	No. However, the company ensures that there is no discrimination against the marginalized stakeholders.
c)	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders?	Not applicable

### Principle 5 - Promoting human rights

a)	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's policy on human rights is imbibed in its values represented in the five lights guiding the Company, its group companies and their employees across all spheres. The alignment with this value system is expected out of every person dealing with the Company.
b)	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Ten investor complaints were received during the year. All the complaints were satisfactorily resolved by the management.

### Principle 6 - Protecting the environment

a)	Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers/ Contractors/NGOs/others.	As a holding and an investment company with limited number of employees, the Company does not have a direct environmental impact.
b)	Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming etc.?	No
c)	Does the Company identify and assess potential environmental risks?	No

d)	Does the Company have any project related to Clean Development mechanism?	Not applicable
e)	Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. ?	No
f)	Are the emissions/wastes generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not applicable
g)	Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.	Nil

#### Principle 7 - Responsibility towards public and regulatory policy

a)	Is your Company a member of any trade and chamber or association?	No
b)	Have you advocated/lobbied through above associations for the advancement or improvement of public good?	Not applicable

#### Principle 8 - Supporting inclusive growth and development

a)	Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?	Yes. The Company has framed a Corporate Social Responsibility policy (CSR policy). CSR projects / programmes identified in line with the CSR policy are undertaken by the Company. Please refer CSR Report for further details.
b)	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	Yes. Please refer CSR Report.
c)	Have you done any impact assessment of your initiative?	Impact assessment study is done for major initiatives of the Company.
d)	What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?	Yes. Please refer CSR Report.
e)	Have you taken steps to ensure that this community development initiative is successfully adopted by the community?	Initiatives are identified based on the requirement of the community such that the benefits out of them are of an enduring nature like operation of mobile medical unit, infrastructure and sanitation facilities for schools and hospitals etc.

#### Principle 9 - Providing value to customers & consumers

a)	What percentage of customer complaints/consumer cases are pending as on the end of financial year?	Out of 10 complaints received from shareholders during the year, 2 complaints i.e. 20% complaints were pending as at end of the financial year. Both complaints have since been resolved and closed.
b)	Does the Company display product information on the product label, over and above what is mandated as per local laws?	Not applicable, since the Company is into investment activity.
c)	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?	No
d)	Did your Company carry out any consumer survey/ consumer satisfaction trends?	No