

Business Responsibility Report

Business Responsibility Report is a disclosure mandated by the Securities and Exchange Board of India (SEBI) for the top 500 listed companies.

Section A- General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L85110KA1987PLC008699
2. Name of the Company	CAN FIN HOMES LIMITED
3. Registered Address	No.29/1, 1st Floor, Sir. M N Krishna Rao Road, Basavanagudi, Bengaluru 560004 Tel: 080 26564259/ 26565736 FAX: 080 26565746
4. Website	www.canfinhomes.com
5. Email id	compsec@canfinhomes.com investor.relationship@canfinhomes.com
6. Financial Year reported	2016-17
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	
Industrial Group	
As per National Industrial Classification – Ministry of Statistics and Programme Implementation	Housing Finance- 64192
8. List three key products / services that the Company manufactures / provides (as in balance sheet)	(i) Housing loan to individuals (ii) Housing loan to Builders/developers and (iii) Loan against Property.
9. Total number of locations where business activity is undertaken by the Company	
a. Number of International Locations (Provide details of major 5)	NA (No overseas presence as of date).
b. Number of National Locations	As on date CFHL is spread across Country with 134 branches and 36 Satellite offices in over 19 States/Union Territories.
10. Markets served by the Company - Local / State / National / International	India



Section B - Financial Details of the Company

1. Paid up capital	2,662.25 (₹ in Lakh)
2. Total turnover	1,35,206.70 (₹ in Lakh) (FY2016-17)
3. Total profit after taxes	23,525.88 (₹ in Lakh) (FY2016-17)
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.85%
5. List of activities in which expenditure in four above has been incurred:	Providing education materials, renovation, construction of new building, upgradation/ repair of infrastructural facilities/shelters at government schools or schools situated in rural/backward areas and providing equipment to braille transcription centre, providing computers, furniture etc. to schools.

Section C - Other Details

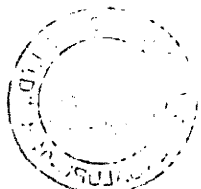
- Does the Company have any Subsidiary Company/Companies?**
CFHL does not have any subsidiary.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).**
Not applicable.
- Do any other entity/entities (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%]**
Not applicable.

Section D - Business Responsibility Information

- Details of Director / Directors responsible for BR:**
 - 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:

No.	Particulars	Details
1	DIN (if applicable)	07491088
2	Name	Shri S K Hota
3	Designation	Managing Director and CEO
4	Telephone No.	080-26568687
5	e-mail id	hotask@canfinhomes.com



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

Principle 1

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

Principle 2

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

Principle 3

Businesses should promote the well being of all employees:

Principle 4

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

Principle 5

Businesses should respect and promote human rights:

Principle 6

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

Principle 7

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

Principle 8

Businesses should support inclusive growth and equitable development:

Principle 9

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



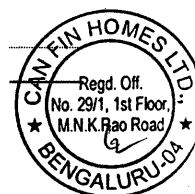
(a) Details of Compliance (Reply in Yes 'Y' or No 'N')

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
3.	Does the policy conform to any national / international standards? If Yes, specify? (50 words)	All the policies have been developed as a result of detailed consultation, experience and research on the best practices adopted in the Industry.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	N	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	N	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.canfinhomes.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	All the policies of the Company are reviewed/ evaluated internally.								

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P1.	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles					Not Applicable				
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									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)							*		

*Please refer the explanation given for Principle 7 above.



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* 3-6 months.

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

The Company publishes the BR Report in the Annual Report, on the website of the Company (www.canfinhomes.com) and files the same online on NSE & BSE websites.

Section E - Principle-wise Performance

Principle 1 - Business should conduct and govern themselves with Ethics, Transparency and Accountability.

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

Yes. The Company believes in ethical and transparent 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 behaviour. The Management constantly endeavours to inculcate this ethical behaviour at all levels in the organization so that it becomes an integral part of the work culture among all its employees.

The Company believes that transparency means being open in its relationship with its customers and all its stakeholders as well as in the conduct of its business. The

Company believes in empowerment and has delegated decision-making powers to appropriate levels in the organizational hierarchy. Each executive and employee is similarly accountable for the functions and responsibilities entrusted to him/her. The company believes that transparency increases accountability and scrutiny. Every employee of the Company shall conduct himself / herself professionally and deal on behalf of the Company with honesty and integrity, while conforming to high ethical standards.

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

Not applicable.

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

313 complaints were received during the financial year 2016-17, from various stakeholders (housing loan applicants, borrowers, depositors and debenture holders). 312 complaints, working out to 99.68 percent were satisfactorily resolved.

During the year, the Company had received 6 complaints from investors and all the complaints have been resolved satisfactorily.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company believes that a business done with moral values and principles will only sustain and has integrated its business values and operations to meet the expectations of its customers,

employees, investors, stakeholders and community at large. The Company provides and maintains a clean, healthy and safe working environment for employees, customers and stakeholders. The Company strives to enhance its standards of service delivery. The biggest social responsibility of helping people to have homes of their own 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.

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

- a. 10 Affordable Home Loan Centres (AHLCS) have been opened to cater to affordable housing loans under Credit Linked Subsidy Scheme (PMAY), Rural Housing under Gruhalakshmi Rural Housing Scheme (GRHS) and under Loans for Urban Housing (LUH) with lower rates of interest. Loans at concessional rate of interest to beneficiaries belonging to Economically Weaker Section (EWS), LIG & MIG, Women, Schedule Castes / Schedule Tribes / Other Backward Classes, Minorities, Persons with disabilities and Transgender.

- b. To bring about the empowerment of women, the Company offers housing loans to women applicants who are the sole owner of the property or the first owner in a jointly owned property at concessional rates of interest.

- c. Schemes offering one-time concession of 0.15% in ROI for



initial one year, for individual housing loans granted to women beneficiaries (for loans upto ₹25 lac in metro / urban areas), Naval / Airforce / Defence Personnel (both in service and after retirement) and physically challenged persons.

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 under its green initiative, has installed solar power in 16 branches and has been ensuring usage of paper to the minimum.

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?

The Company has, to the best possible extent, 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. The Company minimises the consumption of electrical energy and natural resources and shall strive to prevent pollution of air, water and land.

Principle 3 - Businesses should promote the well being of all employees

1. Please indicate the total number of employees:
Total number of employees as on March 31, 2017 was 626.
2. Please indicate the total number of employees hired on temporary/contractual/casual basis:

155 are hired on a contractual basis.

3. Please indicate the number of permanent women employees:
82 are permanent women employees in the company as on March 31, 2017, which constitute 17.40 percent of the total permanent employee strength of the Company.
4. Please indicate the number of permanent employees with disabilities:
NIL.
5. Do you have an employee association that is recognised by management?
There is no employees' association. However mechanisms are in place for employees to represent their issues, if any, and the same is resolved amicably.
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.

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	CFHL does not hire child labour, forced labour or involuntary labour- No cases reported.	Not applicable
2	Sexual harassment	None	Not applicable
3	Discriminatory employment	None	Not applicable



8. What safety and skill up-gradation training was provided in the last year?

- ▶ Permanent employees
- ▶ Permanent Women employees
- ▶ Casual/ Temporary/ Contractual employees
- ▶ Employees with disabilities

Internal and external training for upgrading and enhancing the skills and knowledge level was given to different categories of 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, recovery agents, investors, agents, suppliers and regulatory agencies. Our Investors comprise of shareholders (including Institutional Investors, corporate bodies, foreign institutional investors, foreign bodies etc.).

The Company and its employees strive to provide value-based services to the stakeholders. The Company is in constant touch 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 schemes for Affordable home loans helps customers with incomes in the

lower brackets / lower strata of society and also through its CSR activities has visited Government schools in and around its various Branch locations and has helped improve infrastructure in 123 schools during the year. The company has also contributed ₹1 Crore to Prime Minister's National Relief Fund.

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.

Formal and informal consultations / meetings are held with the different stakeholders at different management levels to obtain their ideas, views and opinions for better handling of their interests.

If the customers have any grievances, they can make a complaint in writing or email addressed to the concerned Branch Manager. In case the grievance is not resolved within 15 days, it can be escalated to the Complaint Redressal Officer in the Corporate Office.

The Company has also introduced a system of getting customer feedback online through a web based system. As per the system, customer logs into the Customer Portal through Company's website and record his/her feedback. The branches will go through such feedback and resolve the complaints/take necessary action for Resolution of the issues raised by the customer.

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 abides by the principle of respect and support for human rights and adheres to the spirit of fundamental rights in its policies and systems. The Company ensures that all individuals impacted by its business shall have access to grievance redressal mechanisms. The Company conducts business in a manner that respects the rights and dignity of all people, complying with all legal requirements.

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

During the year 6 complaints were received from investors and all the complaints have been resolved, ensuring 100% resolution of complaints as on March 31, 2017.

Principle 6 - Business 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 is committed to respect, protect and make efforts towards renewable resources to avoid depletion of natural resources. The Company has installed solar energy powered lighting and computer operation in 16 branches. The Company shall comply with legal / regulatory requirements related to environment protection, management and sustainable development.



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.

The Company has replaced models of computers, printers and other equipment which were consuming more energy. The Company has installed solar energy powered lighting and computer operation in 16 branches. Air conditioning equipment is cleaned and serviced on routine basis thereby saving energy and costs.

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

Yes. The Company being in the business of granting housing loans ensures housing projects which are environmentally safe and secure, by taking opinion from the experts, i.e., from panel valuers.

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?

Not applicable.

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 models of computers, printers and other equipment which were consuming more energy. The Company has installed solar energy powered

lighting and computer operation in 16 branches. Air conditioning equipment is cleaned and serviced on routine basis thereby saving energy and costs.

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

Not Applicable.

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

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?

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.

The Company with its objective of promoting home ownership and increase housing stock across the Country functions on the principles of inclusive growth and equitable

development. By opening 170 offices throughout the Country, which includes 10 Affordable Home Loan Centres to exclusively cater to affordable loans under rural housing, urban housing, PMAY (CLSS) schemes – EWS/LIG/MIG, the Company is trying in its own way to contribute to the overall development of the country.

Further the Company as part of its CSR initiative, with an intention to benefit the poor and marginalised people in the society has helped improve infrastructure in 123 Government schools in during the year. The company has also contributed ₹1 Crore (Rupees one Crore) to Prime Minister's National Relief Fund.

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

The Company as a part of its Corporate Social Responsibility (CSR) initiative has identified and funded 123 schools for infrastructure and basic amenities that were lacking, through its in-house teams.

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

All CSR activities of CFHL are conducted with the direct involvement of Company officials and the impact of the initiative are measured by follow-up visits.

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

Nil.



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.

Not applicable.

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 financial year.

Percentage of customer complaints pending as on March 31, 2017 – 0.32 percent.

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

CFHL is a housing finance company and hence not applicable.

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 formal consumer survey/ consumer satisfaction trends. However, the Company collects customer feedback on-line through customer portal hosted on the website of the Company.

Place: Bengaluru
Date : May 15, 2017

Sd/-
S K Hota
Managing Director

Sd/-
K N Prithviraj
Chairman

CERTIFIED COPY
For Can Fin Homes Ltd.


Veena G Kamath
Company Secretary

