

Business Responsibility Report

INTRODUCTION

The Securities and Exchange Board of India (SEBI) in 2012 mandated the top 100, and later in 2015 the top 500 listed entities on National Stock Exchange of India Limited and BSE Limited to prepare a 'Business Responsibility Report' as part of the Annual Report. This is as per clause (f) of sub regulation (2) of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The report outlines the organization's performance from the environmental, social and governance perspective.

Dewan Housing Finance Corporation Limited ("DHFL") being part of the top 500 listed entities has developed this Business Responsibility Report based on the suggested framework of SEBI, strengthening its commitment towards transparent disclosure of its environmental and social performance.

Recognizing the prevalent sentiment attached to having one's own home, DHFL set out on a mission to help the citizens fulfill their dreams and was thus established with the objective of providing affordable housing and housing-loans to people from all strata of society. With a focus on the Lower & Middle Income (LMI) segments, DHFL is ushering a new wave of financial inclusion by enabling access to affordable housing finance in semi-urban and rural parts of India.

Continuing on the Company's mission to tackle social issues, DHFL is committed to monitor and report on its other social and environmental performance with the aim of providing a clear picture to the stakeholders and investors.

Section A: General Information about the Company

- Corporate Identity Number (CIN) of the Company:**
L65910MH1984PLC032639
- Name of the Company :** Dewan Housing Finance Corporation Limited
- Registered address :** Warden House, 2nd Floor, Sir P. M. Road, Fort, Mumbai - 400001
- Website :** www.dhfl.com

- E-mail id :** secretarial@dhfl.com
- Financial Year reported :** 2016-17
- Sector(s) that the Company is engaged in (industrial activity code-wise) :** NIC Code - 65922 - Carrying out activities of housing finance companies (Housing Loan & Non-Housing Loans)
- List three key products/services that the Company manufactures/provides (as in balance sheet) :**
 - Housing Loans
 - Other property Loans
- Total number of locations where business activity is undertaken by the Company :**
 - Number of International Locations – 2 representative offices (London and Dubai)
 - Number of National Locations – The business operation takes place through 348 locations which includes 18 circles spread across 25 states, 181 branches, 146 service centres, two disbursement hubs, and one collection center.
- Markets served by the Company**

DHFL has a pan-India presence with network that is grouped into circles and clusters located across the length and breadth of India. The distribution network in India is mainly spread across Tier II and Tier III cities and towns. Additionally, DHFL has its corporate and national offices in Mumbai and overseas representative offices in London and Dubai.

Section B: Financial Details of the Company

- Paid up Capital (INR)**
₹ 313.15 Crore
- Total Turnover (INR)**
₹ 8,857.23 Crore

3 Total profit after taxes (INR)

₹ 2,896.45 Crore (including exceptional items)

4 Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) :

The Company in this current financial year has spent an amount of ₹ 8.83 crore on its flagship/ identified CSR programmes and the balance committed funds or budgeted spent under the identified CSR programmes is ₹ 4.22 crore, thus the total CSR allocation of the Company for Financial Year 2016-17 is ₹ 13.05 crore.

5 List of activities in which expenditure in 4 above has been incurred :

The activities where the Company has focused its efforts and funds are mentioned below :

- 1 Skill development
- 2 Child care programs
- 3 Promoting education among children
- 4 Financial literacy programs
- 5 Supporting art & culture
- 6 Health care and Preventive Health Care
- 7 Environmental support initiatives
- 8 Village Transformation through focus on Drought Mitigation

Appropriate disclosures as prescribed under the Companies Act, 2013 have been made in the Annual Report for the financial year ending March 31, 2017.

Section C: Other Details

1 Does the Company have any Subsidiary Company/ Companies?

The Company has two wholly owned subsidiaries viz, DHFL Advisory & Investments Private Limited and DHFL Investments Limited.

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, the subsidiary companies have been recently incorporated.

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 other entity participates in the BR initiatives of the company.

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

Name	DIN Number	Designation
Mr. Kapil Wadhawan	00028528	Chairman & Managing Director

b) Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	Mr. Harshil Mehta
3.	Designation	Chief Executive Officer
4.	Telephone number	022 71583229
5.	e-mail id	harshil.mehta@dhfl.com

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

S. No	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being 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? If yes, specify? (50 words)	Y*								
4	Has the policy been approved by the Board? Is 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?	Y+								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	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	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(*) - The policies have been developed on the lines of the 'National Voluntary Guidelines on Social, Environment, and Economic responsibilities of businesses' established by the Ministry of Corporate Affairs, Government of India in 2011.

(+) - All the policies are available for employees to view on the company's intranet. Most of them are also available on the website at www.dhfl.com/investors

Note: 1. The principle wise details are provided under Section E of this report.

2. The Company has in place policies / code with regard to all the principles i.e P1 to P9, During the financial year, the Board of Directors formulated Business Responsibility Policy Manual under which all the subject policies/code(s) falling under each principle have been collated.

2 (a) If answer to S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S. No	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
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									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

NOT APPLICABLE

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 Board of Directors assesses the BR performance of the Company on an annual basis.

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

This is the Company's first Business Responsibility Report which will be published along with the annual report and will also be uploaded on the website of the Company at URL : <http://www.dhfl.com/wp-content/uploads/2017/06/Business-Responsibility-Report-FY-2016-17.pdf>

Section E: Principle-wise performance

Principle 1 (P1): Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The long term growth and success of DHFL depends on maintaining the highest standards of ethical behavior both within and outside the organization. The Company is committed to ensuring that the employees, directors and business associates adhere to compliance with the law and exercise professionalism in every sphere of business.

To drive the spirit of ethical behavior in the organization, the Company has in place the Code of Business Ethics (COBE) which aims at promoting moral behavior, acts as a guideline for ethical decision-making, enhances reputation, prevents negative legal consequences, encourages positive relationships, and prevents discrimination or harassment.

The Company's COBE is essentially a summary of certain policies which is expected to be adhered to by all employees, failure of which can result in disciplinary action up to and including termination.

Some of the key policies in this code are:

- Maintaining accurate books and records
- Business use of equipment, data, and software
- Protecting confidential information
- Avoiding conflict of interest
- Maintaining a drug-free workplace
- Equal opportunity for employment
- Employee conduct and standards
- Prevention of sexual harassment
- Prevention of insider trading
- Release of financial information

1 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?

The reputation of the Company, the quality of the Company's work-place experience, and the satisfaction of its obligations to the shareholders depend on each of the employees, directors, and business associates respecting and abiding by the various policies as outlined in the COBE.

2 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, in about 50 words or so.

During the reporting period, the Company received 965 complaints 45 Complaints w.r.t. Equity Shares, 892 w.r.t.

Public Issue of Secured Redeemable Non-Convertible Debentures and 28 w.r.t. Fixed Deposits, and all have been resolved satisfactorily. It is the Company's endeavor to provide the best service to all stakeholders and resolve any complaints that may arise at the earliest.

Principle 2 (P2): Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Sustainable products and services are those that provide environmental, social and economic benefits while protecting public health and environment over the complete life cycle. Being a pioneer in providing housing loans for the LMI segment, the Company's journey towards sustainable development centers around societal improvement through making affordable housing available to all sections of society. By considering the hardships felt by members from LMI segments, DHFL has tailor-made products that specifically cater to their needs and address their concerns.

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

DHFL was created on the principles of social inclusion and welfare, when its founder Chairman Late Shri Rajesh Wadhawan dreamt of housing for all in 1984. Since inception, the core focus segment for lending has been the lower and middle income segment of the society. Even today, majority of its home loan portfolio is below ₹ 30 Lac ticket size. This essentially describes the Company's vow to serve the weaker section of the society and in doing so contribute towards the cause of social upliftment and inclusion.

Under the Government of India's initiative - 'Pradhan Mantri Awas Yojana', the Company has also introduced 'Jan Awas Home Loans' exclusively for economically weaker sections of society, under the Credit Linked Subsidy Scheme (CLSS). This scheme is in-line with the Government's initiative "Housing for all by 2022" and aims at making the dream of owning a house a reality for thousands of Indians.

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

As a financial services organization, the Company is not directly involved in the building process, post the disbursement of loans. However, it endeavors to identify projects which are planned for green building certification by the Indian Green Building Council (IGBC) and Green Rating for Integrated Habitat Assessment (GRIHA).

3 Does the company have procedures in place for sustainable sourcing (including transportation)?

In its business operations, the Company has taken noteworthy initiatives like making use of online/digital platforms for the application process thus saving paper on a large scale. Further to this, it also introduced e-board meetings which are conducted in a completely paperless manner thus making significant efforts to reduce the consumption of resources, specifically paper, wherever it can.

4 What percentage of the inputs were sourced sustainably?

As the Company is in the business of providing financial services and is not involved in any manufacturing activities, there were no significant inputs that can be sourced sustainably.

5 Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

As the Company is in the business of providing financial services and work predominantly out of offices, the scope for procurement of goods from local and small producers is very limited.

6 Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?

The Company is in the process of moving its National office to a new IGBC Certified Green Building that will provide a comfortable and conducive environment for the employees while also providing intangible benefits like enhanced air quality, excellent daylighting, improved health & well-being of the occupants, safety benefits and conservation of national resources.

The Green Building will ensure that during construction, most of the resulting construction waste will be recycled and reclaimed as much as possible while the rest will be sent to facilities that will dispose of them without contaminating the environment. Similarly, post construction, effective solid waste management will ensure that whatever waste is generated will be disposed of in a responsible manner.

Principle 3 (P3): Businesses should promote the wellbeing of all employees

The Company's business success is directly related to the performance of its employees. Especially in a service-oriented industry, the key assets - its employees, are significant in driving business growth.

To ensure that DHFL has motivated and high-performing employees, it takes numerous steps towards improving working conditions, providing a safe workplace, protecting their interests & human rights, and developing their skillset both on a personal and professional level to continue to keep them engaged and productive.

The Human Resources team continues to look after the wellbeing of employees and addresses their concerns to ensure they continue to deliver at the highest level, thus sustaining the business in the long run.

Workforce

1 Please indicate the Total number of employees.

As on March 31, 2017, there were 2,881 permanent employees in the Company.

2 Please indicate the Total number of employees hired on temporary/contractual/casual basis.

There are no employees hired on temporary/casual basis. However, the Company does have 4,457 number of outsourced employees, majority being employed in sales and non-sales functions of the Company

3 Please indicate the Number of permanent women employees.

There were 248 women employed in the Company as on March 31, 2017.

4 Please indicate the Number of permanent employees with disabilities

There are currently 2 employees with disabilities.

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

No such associations exist

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

This is not applicable.

Employee grievance handling mechanism

An effective grievance handling mechanism ensures a cordial work environment as it redresses the grievance to mutual satisfaction of both the employees and the management. It also helps the management in framing policies and procedures acceptable to the employees. Thus, it becomes an effective medium for the employees to express their feelings, discontent and dissatisfaction openly and formally and guarantees a resolution or response to their concerns. The Company's current grievance handling process requires employees to email their concerns. The Company is in the

process of transitioning to a system where the employees can make use of the intranet to disclose their grievances. The Company has also formulated a Policy on Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace and an Internal Committee has been constituted thereunder to resolve any grievances relating thereto.

The Company also has in place a Whistle Blower Policy, which provides for a vigil mechanism that encourages and

supports its Directors and employees to report instances of illegal activities, unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct and Code of Business Ethics. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases.

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.

S. No.	Category	No of Complaints filed during the financial year	No of complaints pending as on end of this financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	1	NIL
3	Discriminatory employment	NIL	NIL

Training and Development

Employees who receive the necessary and frequent training become more aware of the best practices and appropriate procedures for work-related tasks. The trainings provided may also build employees' confidence as they will possess a stronger understanding of the industry and the responsibilities of their job. This confidence may push them to perform even better and think of new ideas that will help them excel in their professional lives. Continuous training also helps to keep employees on the cutting edge of industry developments. Employees who are competent and on top of changing industry standards will also help DHFL hold its position as a leader and remain a strong competitor within the industry. The Company provides a number of skill-based trainings along with mandatory trainings on KYC& AML and also COBE, and Anti-Fraud and Ethics as part of the employee induction program.

8 What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Category	Skill-upgradation Training	Safety Training
Permanent employees	95.27%	100%
Permanent employees with Disability	100%	100%

Principle 4 (P4): Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged, vulnerable, and marginalized.

DHFL's stakeholders both internal and external are critical to the success and growth of the organization. Along with identifying them, DHFL understands the importance of engaging and communicating with them. This helps the Company in recognizing their concerns and catering to their needs. The investor relations department looks after retail and institutional investors and frequently connects with them through periodic earning calls as well as impromptu calls as and when needed.

The Company also engages with different banks to promote and offer affordable housing banking schemes to stakeholders coming from economically weaker sections of society. In doing so it strives for easier processing of loans which addresses the primary concern of customers from LMI segments who are generally not that familiar and confident with formal banking mechanisms.

1 Has the company mapped its internal and external stakeholders?

Yes, the Company has identified and mapped its internal and external stakeholders.

2 Out of the above has the company identified the disadvantaged, vulnerable, and marginalized stakeholders?

The Company has identified the people from low income sections of society as those stakeholders who are in most need of intervention and support. On these lines the Company has designed its efforts along the focus areas of:

- Women empowerment and skilling
- Early childhood care & education
- Village development through awareness and resource efficient practices

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

For the development of villages in rural areas, the Company has taken on the challenge of increasing the water level through water conservation activities which have resulted in saving 30 crore liters in 6 months, since its intervention.

The Company has recognized that a majority of the villagers rely on wood as their primary source of fuel for domestic purposes. This not only results in fumes that are harmful to the environment, but could also result in medical complications for the villagers. To discourage the use of wood as fuel, the Company has introduced smokeless chulhas in the villages and given instructions as well as training to the members on how to use these chulhas which would benefit them greatly.

The Company also leveraged its relationship with the banking fraternity to facilitate micro-financing for customers from economically weak sections of society i.e. priority sector lending

Principle 5 (P5): Businesses should respect and promote human rights

Protecting human rights is closely linked to advancing the long-term, sustainable development of the organization. This is instrumental to achieving the Company's goals of employee satisfaction, increased productivity, and economic growth. As a responsible organization DHFL is committed to protecting the rights of the employees as well as business associates. The Company strives to incorporate human rights considerations in all relevant business decisions and take appropriate steps to ensure no discrimination takes place either during the recruitment process or in the due course of employment at DHFL. It is committed to provide equal opportunities to all employees and all qualified applicants for employment,

without consideration to their race, caste, religion, color, ancestry, marital status, sex, age, nationality, disability and veteran status. The Company ensures that its employees are treated with dignity to maintain a work environment free of harassment, whether physical, verbal or psychological.

DHFL is also committed to providing easy access to grievance reporting mechanisms for the stakeholders in the event of any adverse impacts that occur during the business operations.

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?

DHFL's human rights policy is based on valuing and protecting human rights. The Company adheres to all statutes which embodies the principles of human rights such as prevention of child labour, woman empowerment etc. It also promotes awareness of the importance of human rights within the value chain and discourages instances of any abuse among the business partners.

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

The Company takes its stakeholders' concerns very seriously and makes every effort to resolve all the complaints it receives. It was ensured that all of the stakeholder complaints received in the reporting year were resolved satisfactorily.

Principle 6 (P6): Businesses should respect, protect, and make efforts to restore the environment

Businesses today are under constant scrutiny with regards to their impact on the environment, both positive and negative. Stakeholders today are aware of the harmful effects of climate-change and environmental degradation. A responsible business is one where the risks posed to the environment are identified at an early stage and mitigated by employing innovative and efficient technology, utilizing renewable sources of energy, and minimizing the generation of waste.

Looking after environmental health is crucial to ensuring that the current and future generations, can all live without concern for health and wellbeing arising due to the effects of climate-change.

1 Does the policy related to Principle 6 cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

While working to serve the needs of its customers the Company is also aware of its responsibilities towards

protecting the environment. The Company's Sustainable Development policy provides guidance for its activities to ensure that the harm caused to the environment is minimized. It also outlines the expectations from the external business associates on similar lines.

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

Protecting the environment is important to DHFL. While the Company's direct impact on the environment may not be very significant due to the nature of the business, it still has a role to play in ensuring that the indirect results of its activities do not harm the environment. The Company is aware of the rising concerns of climate change, and global environmental issues. These issues are not only of concern to the community but also to the Company's long-term growth and sustainability.

DHFL places special focus for tackling environmental issues related to societal upliftment, and during the appraisal of its projects for lending, only such projects are considered which ensure total compliance towards environmental clearances.

DHFL constantly looks to associate with builders who are involved in constructing buildings following Green Building criteria. These buildings are designed to reduce the overall impact on the environment by efficiently using energy, water and other resources.

3 Does the company identify and assess potential environmental risks?

As part of the Company's risk evaluation criteria, DHFL takes into consideration the environmental risks and impacts of the projects in the evaluation phase. It does not sanction loans for projects that do not have the requisite Environmental Clearance certificates. The Company is also careful when it comes to providing loans for properties that pose an environmental risk or are not eco-friendly as per existing evaluation criteria.

In this manner, it fulfills its responsibilities to ensure that the Company is not associated with any projects that could have adverse effects on the environment.

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 environmental compliance report is filed?

The Company, currently, does not have any projects related to Clean Development Mechanism.

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.

DHFL is currently in the process of moving its National office to a new building which is a Green Building certified by IGBC. Moving to this new building will help the Company minimize and eliminate negative impacts to the environment. It will also help in reducing the waste generated and curbing pollution.

In the business operations, the Company has moved to a paperless processes both within the business through e-meetings, as well as with the customers through app and web-based applications for loans. By minimizing the use of paper, the Company is able to reduce its dependency on this resource.

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

While the Company currently does not have mechanisms for measuring the waste generated, it is proactive in its efforts to minimize the amount of waste generated in the offices.

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.

The Company has not received any show cause notices from either CPCB or SPCB in the reporting year.

Principle 7 (P7): Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Organizations play a vital role in the development and implementation of public policy to promote a well-informed and empowered society. By effectively using memberships in associations and trade chambers, DHFL can be closer to the real problems of the people. Effective advocacy develops the Company's capacity to achieve the greatest good for the greatest number of people and communities it serves. The Company's active participation in important national level initiatives and associations are a testimony to the commitment towards responsible development.

1 Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes, DHFL holds active memberships in associations

where it can influence policies for development of public good. The Company is a member of the following associations where it actively participates in consultations and discussions for driving changes.

- ASSOCHAM (Associated Chambers of Commerce of India)
- IAMAI (Internet and Mobile Association of India)
- CII (Confederation of Indian Industry)
- NAREDCO (National Real Estate Development Council)
- Indian Merchants' Chambers.

2 Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) DHFL's memberships in the above associations have helped in exchanging ideas/views and understanding the other industry practices on regulatory platforms. Through collaborative discussions and consultations, the Company is able to engage in activities and decision making that is in the interest of customers and community in general.

Principle 8 (P8): Businesses should support inclusive growth and equitable development.

Rapid economic growth in the country often fails to tackle the overarching elements of poverty, unemployment and inequality. Therefore, there is a need to address the quality and inclusiveness of economic growth with the aim of creating shared value for organizations as well as the society.

As one of India's leading financial institutions, DHFL has been instrumental in enabling access to home ownership amongst the lower and middle income (LMI) segment for over three decades, with a belief that one's own home, is synonymous with hope and aspiration.

This underscores the Company's business ethos of 'Changing Rules. Changing Lives.' and also influences its CSR initiatives across education, skill development, rural development and financial literacy & inclusive growth.

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

'Sharmaji ke Sawal. Vinodji ke Jawab.'

'Sharmaji ke Sawal. Vinodji ke Jawab', DHFL's flagship program is a comprehensive one, conceptualized and implemented under its CSR arm, to facilitate the journey from being 'financially illiterate' to 'financially sustainable', while also aiding transition of informal settlements to formal housing. This programme is aligned with the vision of the Pradhan Mantri Awas Yojana.

This programme is designed on three pillars:

- 1 Building community capacity through help centres and volunteers
- 2 Facilitating skill development and livelihood linkages
- 3 Enabling linkages to various government welfare schemes

This programme identifies and nurtures local field officers from each community, and equips them by handholding for twelve months, to lead/function as Independent Financial Advisors/ DSAs/ Channel Partners/ Referral Partners/ Real Estate Brokers. This creates a lasting and sustainable legacy within the community.

The programme also supports the Government's affordable housing mission, "Housing for All 2022", which aims to see every Indian family in a pukka house by 2022, thereby, setting low-income households on a path to financial sustainability.

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

'Sharmaji ke Sawal. Vinodji ke Jawab' is implemented with the help of Saath Livelihoods, the social enterprise arm of SAATH charitable trust. However, DHFL has considerable expertise towards implementing successful programmes within financial literacy and affordable housing for poor, urban communities and vulnerable populations and understands the need of low-income communities. Various programs/projects are undertaken primarily by the in-house teams of the Company with the assistance of the implementing partners as and when required.

3 Have you done any impact assessment of your initiative?

The programme has been implemented in Jaipur and

Rajasthan, since September 2016 and initial engagement has been very strong with the community, especially amongst women. Quarterly reporting for tracking the programmes performance is being done against key indicators and an annual report in September 2017 will take a first look at both the qualitative and quantitative outcomes.

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

Enlist the initiatives undertaken by DHFL for supporting inclusive development		Amount contributed directly in the initiative by the Company (₹ in Crore)
1	Early Childhood Care and Education (ECCE) - A transformation initiative through Anganwadis, covering education, nutrition & health (RMNCH+A), infrastructure & WASH. - Supports stakeholder empowerment with forward & backward linkages and safety net for Anganwadi Workers through SHG formations.	1.71
2	Skill Development - Development of Skills in BFSI sector and Construction sector through NSDC accredited Skill Development Programme	1.76
3	Village Transformation through drought mitigation A holistic programme for water conservation and prevention of soil erosion, sustainable agricultural practices	1.11
4	Financial Literacy and Inclusive Growth A comprehensive programme to facilitate the journey from being 'financially illiterate' to 'financially sustainable', also aiding transition of informal settlements to formal housing, promoting Pradhan Mantri Awas Yojana.	0.4
5	The Akshay Patra Foundation - Provides mid-day meals to children in schools, to ensure nutrition and attendance in school for education	1.5
6	AIM for SEVA - AIM for SEVA & Free Student Homes provide tribal children with shelter, nutrition, health facilities, value education, life skills, IT skills & extra-curricular activities.	0.31
7	Connect ED Support transformation of schools through Connect ED technologies basis need gap assessment	0.59
8	Yusuf Meherally Centre Facilities tribal children including three schools & girls hostel	0.13
9	World Centre For Creative Learning Foundation (WCCLF) Transformation and facilitation of Human Development through 'art based therapy'	0.13
10	Rebecca School run by Samaritan Help Mission with Edelgive Foundation The project primarily targets the most vulnerable children and youth groups while establishing the proposed Rebecca Religious English Institution for their formal education.	0.1
11	Supporting Arts & Culture The Company encourages children and nurtures interest in them in performing arts while recognizing excellence & achievements in art and related areas with two organisations.	0.13
12	Prayas Research & Health Care Dengue treatment cover for students of public schools in Gurgaon	0.09
13	Arty Farms Medical support to the patients of Regiment of Artillery	0.03
14	Dr. Mane Medical Foundation & Research Centre Financing of multi utility mini bus as a facility to carry out free cancer detection camps in rural areas	0.04
15	Bharat Vikas Parishad Renovation of one school block for tribal and poor children	0.16
16	Environmental Support Initiatives Tree plantation and awareness campaigns	0.18

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.

DHFL is keen on ensuring the adaptability of projects in the communities and thus it plans the exit timelines before beginning the project. In doing so, it is able to set a measurable timeline to fully execute the activities while being confident of the project being able to sustain even after it leaves the community. The Company has ensured that a group of trained, local individuals (field officers) from the community itself would be able to provide continued support to the program even after the end of its direct intervention.

Principle 9 (P9): Businesses should engage with and provide value to their customers and consumers in a responsible manner.

At DHFL, customer engagement involves actively building, nurturing, and managing the relationships with its customers. Everything the Company does is centered on providing the best of services and products to the customers coming from all sections of society. The Company's efforts towards responsible business include providing affordable housing solutions to customers and promoting environmentally friendly projects. The Company considers the feedback and opinion of the customers as critical keys to its growth and every effort is taken to address all concerns and findings from these interactions.

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

As on end of the financial year, the Company received 720 complaints from the customers (borrowers) and has satisfactorily resolved 99% of these complaints. It aims to achieve a 100% resolution rate to show its commitment to each and every stakeholder and assure them of excellent service.

2 Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

As DHFL is in the business of providing housing & other loans, it does not have any product labels as such. The advertising is made as transparent as possible and carries

all relevant information and instructions for customers to make an informed decision.

3 Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior 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 are no complaints filed against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last 5 years.

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

The activity of carrying out the customer satisfaction survey is approved by the CEO, legal and compliance heads. For the same, the Company employs a Third Party Agency (TPA) and the process is as follows:

The consumer satisfaction survey is carried out to understand the feedback of our customers (HL and FD) regarding their experience in dealing with DHFL. This exercise is carried out on a periodic basis (monthly). An appropriate monthly sample size is decided in advance and customers are selected randomly to achieve those numbers. A topline report is generated every month which gives scores on multiple service related parameters. In this manner the Company is able to gauge the satisfaction levels of its customers and work towards improving their experience.