

CFHRO SE CS LODR 150/2022  
August 12, 2022

ONLINE SUBMISSION

**BSE Limited**

Corporate Relationship Department  
25th Floor, P J Towers  
Dalal Street, Fort,  
Mumbai - 400 001

BSE Scrip Code: 511196

Dear Sirs,

Sub: Business Responsibility & Sustainability Report for FY 2021-22  
Ref: Our letter CFHRO SE CS LODR 148/2022 dated August 11, 2022  
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The Business Responsibility & Sustainability Report of the Company for FY 2021-22 is attached herewith, pursuant to Regulation 34(1) read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The aforesaid document is also available on the website of the Company, i.e., [www.canfinhomes.com](http://www.canfinhomes.com)

Thanking you,

Yours faithfully,  
For Can Fin Homes Ltd.

  
Veena G Kamath  
DGM & Company Secretary

Encl: As above.



# Annexure-6

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details

1. Corporate Identity Number (CIN) of the Company	L85110KA1987PLC008699
2. Name of the Company	CAN FIN HOMES LIMITED
3. Year of Incorporation	1987
4. Registered office address	No.29/1, 1st Floor, Sir M N Krishna Rao Road, Basavanagudi, Bengaluru 560004
5. Corporate address	No.29/1, 1st Floor, Sir M N Krishna Rao Road, Basavanagudi, Bengaluru 560004
6. E-mail id	compsec@canfinhomes.com development@canfinhomes.com
7. Telephone	+91-080-48536192
8. Website	www.canfinhomes.com
9. Financial year for which reporting is being done	Financial year 2021-22 (April 1, 2021 to March 31, 2022)
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11. Paid-up capital	₹ 2,663.31 (in lakh)
12. Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Veena G Kamath DGM & Company Secretary Telephone number - +91-80-48536192 E-mail id - compsec@canfinhomes.com, development@canfinhomes.com
13. Reporting boundary- Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a standalone basis and pertain only to 'Can Fin Homes Ltd'.

#### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of main activity	Description of business activity	% of turnover
1.	Housing Finance	To carry on the business of providing long term finance on such terms and conditions as the Company may deem fit, to individuals, Co-operative Societies, Association of Persons, Companies or Corporations, or such other persons or entities for purchase of plots, houses, flats, apartments and/or construction, repair, renovation and/or upgradation of houses, flats or apartments for residential purpose.  To carry on the business of providing loans to persons and other entities engaged in the business of construction of houses or flats for residential or non-residential/ commercial purpose upon such terms and conditions as the Company may think fit and proper;  To carry on the business of providing loan to individuals, Co-operative Societies, Association of Persons, Companies or Corporations or such other persons or entities for any purpose, upon such securities and on such other terms and conditions as the Company may think fit and proper.  Further details are provided in the Management Discussion and Analysis section of this Annual Report.	99.99

## 15. Products/services sold by the Company (accounting for 90% of the turnover)

S. No.	Product/Service	NIC Code	% of total turnover contributed
1.	The Company's main business is providing housing loans for purchase of ready built house/flat, construction of house, purchase of flat under construction, purchase of site/plot & construction thereon, extension/repairs & renovation/upgradation, commercial real estate. Company also offers non-housing loans including mortgage loans, site/plot loans, loans for commercial properties, loan against rent receivables, top up loans and personal loans.  As at March 31, 2022, in terms of the composition of loans, 90% of loan book comprises Housing Loans and 10% Non-Housing Loans. The average ticket size of the loan is ₹ 21 lakhs in respect of housing Loans and ₹ 9 lakhs for non-housing loans.	64192	99.99

## III. Operations

## 16. Number of locations where plants and/or operations/offices of the Company are situated

Location	Number of plants	Number of offices	Total
National	Not Applicable*	201 <sup>#</sup>	201 <sup>#</sup>
International		0	0

\*The Company is a Non-Banking Financial Company - Housing Finance Company (NBFC-HFC) and hence does not undertake any manufacturing activity.

<sup>#</sup>Includes 12 Satellite Offices as on July 01, 2022.

## 17. Markets served by the entity

## a. Number of locations

Locations	Number
National (No. of states)	Pan-India 21 States
International (No. of countries)	Nil

## b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not applicable.

## c. A brief on types of customers

Can Fin Homes Ltd is one of the top players in the housing finance sector in the country today. As at March 31, 2022, the Company had cumulatively disbursed ₹ 51,859 Cr.

The Company strives to ensure a prudent mix of lending to all income segments. However, the Company primarily targets the affordable housing segment where the demand for home loans is buoyant. Salaried class constitutes about 75% of our lending segment and Self-employed/Non-Professional Segment constitutes 25%.

## Housing Loan Approvals to Customers Based on Income Slabs in FY22

Category	Household Income per annum	Home Loan Approvals in FY22	
		% in Value Terms	% in Number Terms
Economically Weaker Section	Up to ₹ 3 lac	7.28	14.97
Low Income Group	Above ₹ 3 lac up to ₹ 6 lac	31.02	38.64
Middle Income Group	Above ₹ 6 lac up to ₹ 18 lac	53.06	41.78
High Income Group	Above ₹ 18 lac	8.63	4.60
<b>Total</b>		<b>100.00</b>	<b>100.00</b>

Based on individual loans disbursed during the year, the key characteristics of individual loans were:

- 75% were salaried customers, while 25% were self-employed (including professionals).
- The average size of individual housing loans stood at ₹ 21 lakh.
- The average loan to value ratio at origination was 61%.
- The average age of the customer was 35 years.

The number of home loan customers who have availed benefits under the Credit Linked Subsidy Scheme (CLSS) – a component of the government's flagship 'Housing for All' scheme is 29579. As at March 31, 2022, cumulative loans disbursed by CFHL under CLSS stood at ₹ 4588.53 Cr.

#### Depositors:

The Company also has a large number of depositors, which predominantly comprise retail depositors. As at March 31, 2022, total outstanding deposits stood at ₹ 502 Cr and the number of deposit accounts stood at 8463.

Apart from direct deposits from the Public comprising Individuals, Trusts etc., CFHL also enlists Deposit agents to source deposits for the Company.

## IV. Employees

### 18. Details as at March 31, 2022

#### a. Employees (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	799	599	75	200	25
2.	Other than permanent (E)	110	85	77	25	23
3.	<b>Total employees (D + E)</b>	<b>909</b>	<b>684</b>	<b>75</b>	<b>225</b>	<b>25</b>

**Note:** All of Company's workforce is categorized as 'Employees' and not as 'Workers'. Hence in all the sections, details sought of the 'Workers' category are Not Applicable to Company.

Other than Permanent category includes contract employees and employees deputed from parent Bank.

#### b. Differently abled employees

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	3	2	67	1	33
2.	Other than permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	<b>3</b>	<b>2</b>	<b>67</b>	<b>1</b>	<b>33</b>

**Note:** Differently abled type includes Hearing, Visual, Locomotor, Orthopedic and Others.

### 19. Participation/inclusion/representation of women

Particulars	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.5
Key Management Personnel	5	2	40

**Note:** Key Management Personnel (KMP) are Managing Director & Chief Executive Officer (MD & CEO), Dy. Managing Director, General Manager, Chief Financial Officer (CFO) and Company Secretary (CS).

## 20. Turnover rate for permanent employees

Particulars	FY22			FY21			FY20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.85%	2.52%	11.38%	3.18%	1.59%	4.77%	5.97%	1.16%	7.14%

## V. Holding, subsidiary and associate companies (including joint ventures)

## 21. (a) As at March 31, 2022

S. No.	Name	Subsidiary/ Associate	% of shares held	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Not applicable*				

\*CFHL does not have any subsidiary/associate.

## VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: ₹ 1,98,850.72 Lakhs

(iii) Net worth: ₹ 3,06,662.18 Lakhs

(iv) Total amount spent on CSR for FY22: ₹ 1070.00 Lakhs

## VII. Transparency and Disclosures Compliances

## 23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No)  (If yes, then provide web-link for grievance redress policy) <sup>5</sup>	FY22			FY21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	200	2	-	112	-	-
Employees	Yes	-	-	-	-	-	-
Customers <sup>6</sup>	Yes	1328	-	-	2423	1	-
Value Chain Partners	Yes	-	-	-	-	-	-
Others	Yes	-	-	-	-	-	-

<sup>6</sup>The number of customer complaints in FY21 were more due to the pandemic and branch offices were open with limited staff and customer requirements were met through the Company's website.

\*Loan moratorium requests and Credit Linked Subsidy Scheme related issues are excluded.

<sup>^</sup>Complaints pending as at the financial year end were resolved subsequently.

<sup>5</sup> The Company has in place a Grievance Redressal policy and is available at [www.canfinhomes.com](http://www.canfinhomes.com)

24. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, along with its financial implications as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or Opportunity (Positive/Negative Implications)
1.	Affordable Housing	Opportunity	<ul style="list-style-type: none"> <li>Fulfilling the demand for affordable housing is one of our objectives.</li> <li>Rapid urbanization and migration to cities have caused severe housing shortage in India, particularly for economically weaker section. The government’s growing thrust for affordable housing through schemes such as Housing for All, Pradhan Mantri Awas Yojana-Credit Linked Subsidy Scheme, RERA, tax benefits and Smart city initiatives are fueling home ownership dreams of the common man. The schemes are aimed at empowering the urban poor, primarily the Low-Income Group (LIG), Economically Weaker Section (EWS) and the Middle-Income Group (MIG I &amp; II) to fulfil their home ownership dreams. There is immense scope to increase home ownership in the country across all income segments.</li> <li>These initiatives have helped the housing finance industry and the real estate industry to record a better performance during the year.</li> </ul>	<p>Strong credit appraisal help mitigate credit risks. We have various sources of funds like Commercial Paper, Bank Borrowings, privately placed Non-Convertible Debentures, Deposits and NHB Refinance Facility to financing Affordable segment. NHB Refinance forms around 22% of our borrowings. The Company maintains a good Asset Liability Management.</p> <p>Increasing trend in rate of interest could be a risk however the Company has annual reset clause in the contracts as a mitigant for this risk</p>	Positive: There is a need to canvass the loans as it helps to reduce credit cost, thereby increasing our earning profile.
2.	Social responsibility towards society	Opportunity	<p>The Company contributes a portion of its profits each year to support projects which fulfill a social obligation. The Company has contributed ₹ 1 Cr to Prime Minister’s Citizen Assistance &amp; Relief in Emergency Situations Fund (PM CARES Fund).</p> <p>Other important areas of CSR include the following:</p> <ol style="list-style-type: none"> <li>Healthcare</li> <li>Promoting Education</li> <li>Environmental Sustainability</li> <li>Sports</li> <li>Eradicating hunger</li> <li>Welfare measures for differently abled &amp; homeless</li> <li>Combat COVID-19</li> <li>Animal welfare</li> </ol>	Annual Report of Corporate Social Responsibility Activities for the year 2021-22, forming part of Directors’ Report provides further details.	Positive: The Company strives to make a positive impact to society at large through its activities with minimal resource footprint.
3.	Talent management Process:	Risk	<ul style="list-style-type: none"> <li>To manage the ability, competency and power of employees within an organization. Everything that is done to recruit, develop, retain, reward and make employees perform better is a part of Talent Management.</li> <li>A successful Talent Management system, which is well-directed, can take the organization to a higher level.</li> <li>The main object of talent management process is to hire the best talent for the organisation.</li> </ul>	<p>The workforce is changing and talent management process also needs to be adapted accordingly. Steps to overcome Talent Management process:</p> <ol style="list-style-type: none"> <li>Ensure that learning is relevant.</li> <li>Support micro-learning.</li> <li>Provide guidance.</li> <li>Foster accountability.</li> <li>Training</li> <li>Recognition etc.,</li> </ol>	Negative : Due to growth in financial sector attrition risk is present. However the Company provides training and incentivise the employees for retention.

Sl. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or Opportunity (Positive/Negative Implications)
4.	Environmental Footprint: Climate change	Risk	Vagaries of climate affects business activity and people. Therefore, impact of climate changes which could adverse if affect business activities should be assessed.	Risk assessment is a central component of Business Continuity Planning. This involves reviewing potential disruptive events that could affect normal working operations. As a mitigatory measures customers are encouraged to take insurance coverage for both life and property.	Negative
5.	Social Responsibility – Alignment with Local Communities	Opportunity	The business must be aligned with community's larger interest along with company's interests. A cordial relationship with local communities may help the companies to create sustainable relationship.	Job creation, skill development, supporting local relief efforts where required, in times of crisis.	Positive
6.	Corporate Governance – Board oversight, Conflict of Interest, Ethics, Risk and Compliance, Succession Planning	Risk	Company emphasizes the growth with compliance, asset quality with ethical and transparent practices and makes the required disclosures to all including the regulators and stake holders, to upkeep the stake holders trust and to maintain & improve the reputation and good will of the company.	All efforts are taken by the company to comply with the reviews by regulators, Board, etc., to ensure compliances and succession plans and required discussions /notes are presented at periodical intervals.	Positive

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

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

P1	Business 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 interests 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 engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Ethics & Transparency	Product Responsibility	Human Resources	Responsiveness to Stakeholders	Respect for Human Rights	Responsible Lending	Public Policy Advocacy	Inclusive Growth	Customer Engagement
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/ No)^	Yes	Yes	Yes	Yes	Yes	Yes	No*	Yes	Yes
b. Has the policy been approved by the Board? (Yes/ No) {Refer Note 1}	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
c. Web link of the policies, if available	www.canfinhomes.com/Policies-Codes.aspx Some policies placed on the Company's website may also include a combination of internal policies of the Company and are accessible to all the internal stakeholders.								
2. Whether the entity has translated the policy into procedures. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
4. Name the national and international codes/ certifications/ labels/ standards adopted by the Company and mapped to each principle.	Not Applicable. All the policies have been developed based on detailed consultation, experience and research on the best practices adopted across the Industry and the parent Bank.								
5. Specific commitments, goals, targets set by the Company, with defined timelines, if any	a. Housing for All – Can Fin has left no stone unturned to support the government's flagship housing programme so as to help more Indians acquire homes. b. Our Corporate Social Responsibility activities in the field of education, women empowerment, health care are intended to uplift the downtrodden and provide relief to a large section of the populace in need of economic support. c. Can Fin is gender inclusive and is committed to retain existing and employ more women employees while adhering to standards of merit. d. Can Fin is committed to the 'Save Green Efforts' and consciously strives to promote environment friendly initiatives.								
6. Performance of the Company against the specific commitments, goals and targets along with the reasons in case the same are not met	a. The Company has 29579 number of beneficiaries under CLSS. b. The Company will meet its CSR targets mainly through its core focus areas which will be expounded each year. c. As at March 31, 2022, women constituted 22% of total employee strength. In terms of new recruits, the share of women employees stood at 27%. 2 out of 5 key Managerial Personnel are women. d. 78 % of the Company's Housing loans sanctioned during the year comprise of affordable houses. e. Scholarships have been provided to 284 students of Government High Schools and first grade colleges. f. Tinker and Mini Science Labs and other infrastructures have been provided to 27 Government Schools. g. Medical equipments like ambulances, Boyles Appartus/ Anesthesia machine, Tonometer, Perimeter, OT Table, Digital - Radiography machine, High Frequency Mobile Digital Radiography system, Prime scan machine, Multi-Para Monitor, NCPAP - Bubble CPAP, NCO - natal ventilator, vertical Autoclave etc. have been provided to various hospitals across the country. h. The Company has provided solar lighting to all houses in the village Annayanadoddi village, Raagi Halli, Jigani near Bengaluru and endeavors to provide such facilities to other villages. The Company has distributed cotton bags to its stakeholders to discourage use of plastic.								



**Note 1****Principle-wise policies<sup>A</sup>**

<b>P1</b> Ethics & Transparency	The Company's Code of Conduct for Senior Management Personnel, Directors, Independent Directors, other Non-Executive Directors, Model Code of Conduct for Direct Selling Agents and Deposit Agents, Code of conduct for Corporate Agents, Fair Practices Code, Whistle Blower Policy, KYC and Prevention of Money Laundering Policy, Guidelines for Reporting on Frauds, Code of Conduct for Prevention of Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information, Policy for Determining Material Event or Information, Policy on Related Party Transactions and other internal policies demonstrate ethical behaviour, transparency and accountability.
<b>P2</b> Product Responsibility	The Company's Fair Practices Code (FPC) and Most Important Terms and Conditions (MITC) guides this principle. The KYC and Prevention of Money Laundering Policy is also a critical component of product responsibility for the Company.
<b>P3</b> Human Resources	To ensure employees well-being the Company has in place the Code of Conduct, Policy on Protection of Women Against Sexual Harassment at the Workplace, Comprehensive Employee Group Health Insurance Policy, Policy on Equal Opportunities, facilities of Staff Loans to Employees (for housing, furniture/fixtures, vehicles), training & Development of employees. In addition, employees are sensitised to prevent wasteful usage of natural resources and conserve energy.
<b>P4</b> Responsive to Stakeholders, particularly the marginalised	The Company has been focusing on providing loans for affordable housing and lending to the economically weaker sections and lower income groups.
<b>P5</b> Respect for Human Rights	The Company conducts its business in a manner that respects the rights and dignity of all the people, complying with all the legal requirements. In conduct of its day to day business with individuals, CFHL treats every stakeholder with dignity and respect. The grievance redressal mechanism for the stakeholders is in place and the contact details are provided on the website of the Company.
<b>P6</b> Responsible Lending	CFHL is firmly committed to being a responsible provider of Housing & Non-Housing Loans. As a responsible lender, CFHL strictly prohibits abusive, misleading or fraudulent lending practices. Additionally, the branches of CFHL, which extend Housing & Non-Housing Loans, provide customers with the information they need to make fully informed decisions about our products and services. They also provide timely response to customer questions and complaints, and take prompt corrective action.
<b>P7</b> Public Policy Advocacy	The Company does not directly engage in lobbying or advocacy activities with any trade and chamber of association for the advancement or improvement of public good and hence, does not have a specific policy for this purpose.
<b>P8</b> Inclusive Growth	The Corporate Social Responsibility Policy encompasses activities focused on taking initiatives for identifying and funding the activities under various sectors like healthcare, education, welfare measures, disaster management through its in-house teams.
<b>P9</b> Customer Engagement	The Code of Conduct, internal policies, fair practice codes and such other guidelines issued by the regulators are covered under this principle.

**GOVERNANCE, LEADERSHIP AND OVERSIGHT**

<b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b>	<p>The Company was incorporated in 1987, International year for providing shelter to the homeless, with the key objective of providing loans for home ownership in the country. The Company's average ticket size under housing of ₹ 21 Lakh and non-housing loans of ₹ 9 Lakh reflects the Company's achievement of increasing affordable housing as one of the focused ESG parameters. The borrowers under affordable housing segment comprise low income group and people from economically weaker sections of the Society. The continued focus of the Company towards financing affordable housing and the demand for housing will help the Company in achieving its target towards business responsibility and ESG.</p> <p>The Company has been conducting activities on Corporate Social Responsibilities through its branches pan India supporting the children studying in government schools directly and indirectly. The other activities undertaken by the Company towards various other sectors are provided in detail in the Annual Report of CSR Activities for the year FY 2021-22 annexed to the Report of Directors. The Company has been complying with all the applicable statutory and Regulatory provisions.</p>
<b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility (BR) Policy</b>	<p>Shri Girish Kousgi Managing Director &amp; CEO DIN: 08524205</p> <p>The Corporate Social Responsibility Committee of the Board is Chaired by Shri L V Prabhakar, Chairman of the Company.</p>
<b>9. Does the entity have a specified committee of the board/ director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.</b>	<p>Yes.</p> <p>The directors and senior management of the Company keep a check on various aspects of economic, social, governance and environmental responsibilities of the Company on an ongoing basis. The various performance parameters under Business Responsibility of the Company are being assessed by the following Committees of the board:</p> <p>(i) the Corporate Social Responsibility Committee; (ii) the Risk Management Committee; (iii) the Audit Committee; and (iv) the Stakeholders Relationship Committee.</p>

**10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the Company**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	NA	Y	Y	A	A	A	A	A	A	NA	A	A
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The above policies of the Company are reviewed periodically by the related department heads and executive directors of the Company. The efficacy of such policies is reviewed and necessary changes to systems, policies and procedures are implemented in tune with regulatory and industrial standards. The policies are reviewed annually except for P7.									The Company is in compliance with the applicable statutory requirements, regulations and its internal policies and the same are reviewed on monthly basis.								

<b>11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency</b>	<p>The processes and compliances are subject to scrutiny by internal auditors and regulatory compliances by statutory auditors as well as Secretarial Auditors, as applicable. From a best practices perspective as well as from a risk perspective, policies are periodically reviewed and updated by various department heads, business heads and approved by the board.</p> <p>The contents of BR policies are evaluated internally.</p> <p>The parent Bank conducts Management audit.</p>
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**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7*	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)							NA		
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)							NA		
The entity does not have the financial or/human and technical resources available for the task (Yes/No)							NA		
It is planned to be done in the next financial year (Yes/No)							NA		
Any other reason (please specify)							NA		

\*The company presently is not a member of any trade and chamber or association.

NA - Not applicable

**SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE****PRINCIPLE 1:**

**BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE**

**Essential Indicators****1. Percentage coverage by training and awareness programmes on any of the principles during the financial year**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4*	Topics include Boardroom Dynamics, Role of the Board, Regulatory Perspective on Role & Responsibilities of Directors, Board Committees, updates on Circulars/ notifications issued by Securities & Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Reserve Bank of India (RBI) and National Housing Bank (NHB), Board, composition, roles & responsibilities of Directors, etc. all aspects of Corporate Governance, Financial statements, audit, auditors, risk management, Information Technology, etc. All Independent Directors have attended external training programmes. Updates on all other aspects are provided in the Board room are attended by all directors.	100%
Key Managerial Personnel (KMP)	4*	All relevant aspects covering effective governance of sustainable development, CSR, Related Party Transactions, significant beneficial ownership annual filings, SEBI LODR and all other Circulars/ guidelines issued by the Regulatory authorities.	100%
Employees other than Board of Directors or KMPs	451 <sup>^</sup>	Credit Appraisal Methods & KYC Due Diligence, Promoting/ Marketing and Sales, home loans and deposits Customer Service - it's role in business generation, IT Do's and Don'ts, Covid protocols, prevention of Insider trading guidelines, information and cyber security awareness, code of conduct, prevention of sexual harassment at work place, grievance redressal, financial accounting etc.	50%

**Notes** - \*Details of familiarisation Programmes provided for Independent Directors of the Company during FY 2021-22 can be accessed from our website: <https://www.canfinhomes.com/pdf/CFHL-Familiarisation-Programme-FY-2021-22.pdf>

<sup>^</sup>All employees of the Company undergo various training programs throughout the year. Due to Covid pandemic, during the year, most trainings happened virtually along with e-learning modules.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings with regulators/ law enforcement agencies/ judicial institutions in FY22

Monetary				
NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	National Housing Bank	29,13,234	National Housing Bank vide its letter dated 11/06/2021, has imposed a penalty of ₹ 29,13,234/- plus applicable GST @18%, on the Company. NHB had observed that the Company had accepted individual deposits aggregating to ₹ 14,56,617/- from five small depositors for a period of less than 12 months, in contravention with provisions of Para 4 of the HFCs (NHB) Directions, 2010. The Company had replied to NHB that five deposits aggregating to ₹ 14,56,617/- (out of about 4000 deposits), were accepted in the year 2018-19 for a tenure of less than 12 months by three of its branches inadvertently. NHB has imposed a penalty of twice the amount of deposits collected, i.e., ₹ 29,13,234/-	Yes
Settlement	-	-	-	-
Compounding Fee	-	-	-	-

Non-Monetary			
NGRBC Principle	Name of the regulatory / enforcement agencies / judicial Institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment / Punishment			Nil

3. Of the instances disclosed in Question 2 above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies /judicial institutions
Appeal preferred under NHB Act.	National Housing Bank

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. Can Fin Homes Ltd., is committed to setting up utmost standards for transparency and accountability in all its affairs. Can Fin Homes Ltd., strives to attain its mission through compliance of high legal and ethical standards. The Company has set out the responsibilities of its employees in observing and upholding Company's commitment to Ethical Practices in all its endeavors in the code of conduct for senior management personnel.

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.

The Board attaches utmost importance to transparency and applies a “zero tolerance” approach to acts of bribery and corruption by any of its employees. Any breach is regarded as a serious matter and is likely to result in serious disciplinary action which could ultimately lead to dismissal.

The Code of Conduct is extended to all the employees. The policy is placed on the Company’s website, <https://www.canfinhomes.com/policies-codes.aspx>

#### 5. Number of Directors/KMPs/employees against whom disciplinary action was taken by any law

	FY22	FY21
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil

#### 6. Details of complaints with regard to conflict of interest

	FY22		FY21	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of directors	–	–	–	–
Number of complaints received in relation to issues of conflict of interest of KMPs	–	–	–	–

#### 7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

No such occurrences happened.

#### Leadership Indicators

##### 1. Awareness programs conducted for value chain partners on any of the principles during the financial year.

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Holding awareness programs for value chain partners is an ongoing process. All branches conduct meetings with the value chain partners for appraising the products & services of Company and for reiterating code of conduct from time to time.		Nil

##### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same.

Yes. The Company has a code of conduct in place for its directors and senior management personnel and the Directors and Senior Management personnel in the Company provide an annual declaration in the this regard.

Conflict of interest scenario primarily arise when there is a related party transaction. A Board approved Policy on Related Party Transactions is also in place.

**PRINCIPLE 2:****BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE**

## Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Amount in ₹ lakh	FY 2021-22	FY 2020-21	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Being a financial organisation, our R&D is limited to designing new products & services/ digitisation of processes, the cost of which is included in Capex, wherever applicable
Capex	6.66%	14.64%	The CAPEX is incurred for digitalisation of the customer end to end journey. It eliminates the collection and filing of physical documents which considerably involves time and effort.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company is not as such involved in manufacturing activity, therefore the reporting on sustainable sourcing is not applicable.

- b. If yes, what percentage of inputs were sourced sustainably?

Not applicable.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Can Fin Homes Ltd. Is a housing finance company and does not manufacture any products. Hence this question is not applicable to the company's operations.

Given the nature of the business, the Company has limited scope to use recycled material as processed inputs. However, the Company has systems in place at an all-India level to manage e-waste. The Company engages with certified e-waste handlers for disposal of e-waste like computers, printers & scanning machines. Approximately 370 kgs of e-waste generated was disposed through authorized recyclers in FY22. The Company uses local vendors for disposal of paper for recycling.

The Company disposes storage media securely, when no longer required, using formal procedures/guidelines. The Company verifies all items of equipment containing storage media, to ensure that any sensitive data and licensed software has been removed or securely overwritten prior to disposal or re-use.

Expiry of useful life, obsolete technology, defects beyond repairs etc. are the key factors for deciding the disposal of equipment.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No. EPR is not applicable to the Company

## Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
64192	Housing Finance	99.99%	As detailed below*	Yes	Yes

\*The primary business activity of the Company is providing housing finance. The loan cycle is a sequential process ranging from sourcing of the loan to loan approval, disbursement, servicing and repayment of the loan. Details are elucidated below:

### Sourcing of Loans

Individual home loans are sourced directly as walk-in applications at Company's branches, through the online portal or through channel partners.

### Loan Processing

- **Credit Appraisal**

All loans are processed by the Branch heads. The appraisal process for determining the loan eligibility involves underwriting of the submitted documents and undertaking various checks to ensure authenticity of the documents, genuineness of the transaction and compliance with all regulations. The credit underwriting process is digitally enabled. Supporting documentation for loan appraisals are digitally enabled. This has helped to reduce paper consumption. The digital fetch tools helps in faster authentication of supporting documentation such as income tax returns and GST returns, bank analyser statements amongst others. The Company is in the process of technology transformation to Core Business to become future ready to embrace new digital technologies and build a competitive advantage.

- **Legal Appraisal**

The required title and other documents pertaining to the individual property being financed are verified by empanelled Lawyers to ensure that the title is clear and marketable and can be mortgaged in favour of the Company.

- **Technical Appraisal**

Simultaneously, the technical appraisal process involves verification of property by the Branch officials and collection of valuation reports from empanelled valuers to ascertain the approach and the value of property.

### Disbursement

Disbursement process commences after approval of the loan and verification of requisite documents.

### Repayment & Closure

Once the loan is fully repaid/prepaid, the original/copy of title documents for the property with any other documents procured during the legal process are then released and handed over to the customer with a mortgage release letter stating that all dues towards the loan has been fully repaid.

### Deposits

Sourcing of the deposit could be directly by the customer or through a deposit agent. The requisite KYC checks and other information details of depositors are collected and reviewed to ensure compliance with extant regulations. Post this, a deposit certificate is issued to the customer. Periodic intimations are sent to customers and upon maturity, the deposits are either renewed or repaid to the customer.

## Grievance Redressal Mechanism

As part of the Grievance Redressal policy, the Company has a complaint management system to record and redress grievances/ feedback from customers, which helps in ensuring standard operating procedures and enhancing service standards. The Grievance Redressal department ensures a timely resolution and sending appropriate responses and meets the requirements of the customers.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
	Not applicable	

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2021-22	FY 2020-21
	Not applicable	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2021-22			FY 2020-21		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not applicable/ We are a housing finance Company, we don't manufacture any products.

## PRINCIPLE 3:

## BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

## Essential Indicators

1. Details of measures for the well-being of employees

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>PERMANENT EMPLOYEES</b>											
Male	599	599	100	599	100	NA	NA	-	-	-	-
Female	200	200	100	200	100	200	100	-	-	-	-
<b>Total</b>	<b>799</b>	<b>799</b>	<b>100</b>	<b>799</b>	<b>100</b>	<b>200</b>	<b>25</b>	-	-	-	-
<b>OTHER THAN PERMANENT EMPLOYEES</b>											
Male	85	-	-	-	-	-	-	-	-	-	-
Female	25	-	-	-	-	25	100	-	-	-	-
<b>Total</b>	<b>110</b>	-	-	-	-	<b>25</b>	<b>23</b>	-	-	-	-



## 2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2021-22		FY 2020-21	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)*	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	Y	100	Y
Gratuity	100	Y	100	Y
Employee State Insurance (ESI)	9.09	Y	8.87	Y
Others- please specify^	100	NA	100	NA

\*The Company has an exempt Provident Fund Trust and Gratuity Trust.

^ Leave encashment benefit on superannuation is applicable to retiring employees.

## 3. Accessibility of workplaces

Are the premises/offices of the Company accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. The offices are accessible to differently abled employees. Most of the offices of the Company are located in commercial premises which are either on the ground floor or have elevators and infrastructure for differently abled individuals.

## 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company has adopted an Equal Opportunity Policy in accordance with the applicable provisions and provides a framework which is committed towards the empowerment of persons with disabilities. The Company has been providing equal employment opportunities without any discrimination on the grounds of age, color, disability, race, caste, sex and religion. The policy is available on the Company's intranet and is available to internal stakeholders.

## 5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	NA	NA
Female	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

## 6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	
Other than Permanent Employees	Yes

The Company has always believed in open and transparent communication. Employees are encouraged to share their concerns with their business heads, HR or the members of the senior management. The Company has always followed an open door policy, wherein any employee irrespective of hierarchy has access to the senior management.

In addition, the Whistle blower policy provides a formal platform to share grievances on various matters. The details of the grievance mechanism is shared with employees. New recruits are also sensitised on the whistle blower mechanism and forms part of the employee induction programme.

The Company has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company's policy on the same is placed on the Company's intranet. The ICC comprises majority of women members.

The Company on a regular basis sensitises its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programmes which are held on a regular basis.

#### 7. Membership of employees in association(s) or unions

The Company does not have any employee associations.

#### 8. Details of training given to employees

Category	FY 2021-22					FY 2020-21				
	Total (A)	On health and safety/ wellness measures		On skill upgradation		Total (D)	On health and safety measures/ wellness		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES</b>										
Male	684	-	-	337	49	756	-	-	-	-
Female	225	-	-	109	48	131	-	-	-	-
<b>Total</b>	<b>909</b>	<b>-</b>	<b>-</b>	<b>446</b>	<b>49</b>	<b>887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note:** Includes training given to employees who have resigned/retired during the year. Some of the training programmes offered under skill upgradation are mandatory. Hence, all employees have been considered under such training programmes.

#### 9. Details of performance and career development reviews of employees

Category	FY 2021-22			FY 2020-21		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>EMPLOYEES</b>						
Male	684	684	100	756	756	100
Female	225	225	100	131	131	100
<b>Total</b>	<b>909</b>	<b>909</b>	<b>100</b>	<b>887</b>	<b>887</b>	<b>100</b>

- All employees of the Company undergo on a Quarterly performance appraisal process as determined by the Company.
- At the end of year, based on the quarterly performances an annual performance appraisal for each of the employees is made which is used for promotions, placements etc.
- The underlying philosophy of the performance management system is to have a fair and transparent system of appraisal, which ensures an objective mechanism to measure each employee's performance and the variable pay component is based on the scores of such appraisals.

## 10. Health and safety management system

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Owing to the nature of the business, per se there are no occupational health and safety risks due to the nature of the work. Owing to COVID-19 induced pandemic, health and safety issues became paramount for both employees/visitors in the office premises and for field staff and periodic internal communication and alerts were sent to employees regarding COVID-19 protocols on safety related aspects.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Given the nature of business, this is not directly applicable. However, in light of the pandemic, the Company recognizes the risks of infections that could take place in the office premises. To minimise these risks, the Company took necessary precautions at the offices, which included sanitisation of all office premises, removal of biometric scanners, installation of thermal scanners, daily communication updates, working in shifts, restricted movements in common areas and avoidance of large gatherings. The Company also adhered to all the government directives and issued travel and health advisories to its employees and advised its employees to work from home as required or on a rotational basis to ensure employee safety and business continuity.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Given the nature of business, this is not directly applicable. However, in light of the pandemic, the Company has necessary protocols and systems in place to ensure employees' safety is not compromised at the workplace and intimation of symptoms/infections by employees/their family is done. The Company has organised vaccination Camps for its employees in an endeavor to urge all employees and their families to get vaccinated.

- d. Do the employees have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. All employees of the Company are covered under the company's health insurance and personal accident policy.

## 11. Details of safety related incidents

Safety Incident/Number	Category	FY 2021-22	FY 2020-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)			
Total recordable work-related injuries	Permanent	Nil	Nil
No. of fatalities (safety incident)	Employees		
High consequence work-related injury or ill-health (excluding fatalities)			

## 12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company emphasizes on the importance of maintaining a safe and healthy workplace for all employees.

During the year, there were no accidents of any employee of the Company whilst on duty.

To prevent the spread of COVID-19, the Company took necessary precautions at all its offices, which included sanitisation facilities, social distancing, installation of thermal scanners, removal of biometric scanners and installation of air purifiers which do not use chemicals or produce ozone. Detailed standard operating procedures and guidelines/advisories were issued periodically to the employees of the Company. The Company adhered to directives issued by the government/local authorities pertaining to COVID-19.

## 13. Number of complaints on the following made by employees

	FY22			FY21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during theyear	Pending resolution at the end of year	Remarks
Working conditions	-	-	-	-	-	-
Health and safety	-	-	-	-	-	-

## 14. Assessments for the year

<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>	
Health and safety practices	100%^
Working Conditions	100%

^The Company has various annual maintenance contracts which deals with various safety practices for its offices.

## 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

Against the backdrop of the pandemic, the Company has been following standard operating procedures so as to comply with State/local level extant regulations and ensure safety and hygiene protocols and necessary social distancing is being followed by employees, customers and other visitors on any of the premises of the Company.

## Leadership Indicators

## 1. Does the entity extend any life insurance or any compensatory package in the event of death of Employees (Y/N)

Yes. The Company has got medical expenses reimbursed through Group Health insurance and in addition offered employment to the spouse of the deceased employees. Benefits like provident fund, gratuity, superannuation and employees' deposit linked insurance, as applicable, are settled on a priority basis.

## 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Can Fin ensures that statutory dues as applicable to the transactions are deducted and deposited in accordance with extant regulations. This activity is also reviewed during statutory audit. Can Fin expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

## 3. Provide the number of employees having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY22	FY21	FY22	FY21
Employees			Not applicable. There were no work-related injuries.	

## 4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Since inception, the Company has not undertaken any retrenchment of employees owing to business exigencies or employees not having the requisite skills to do the required job. Skill upgradation of all employees remains a continuous activity in the Company. Given the low attrition rates and long duration of service of most employees, transition assistance programmes for retirees are not found to be compelling as the employees are mostly high skilled.

## 5. Details on assessment of value chain partners

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Health and safety practices	The Company expects all its value chain partners to follow extant regulations, including health and safety practices and working conditions. These parameters are not explicitly captured or measured.
Working conditions	

## 6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

There was no need for any corrective action plan for the above.

### PRINCIPLE 4:

#### BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

##### Essential Indicators

#### 1. Describe the processes for identifying key stakeholder groups of the entity.

The Company's key stakeholders comprise Promoters, Employees, Customers, Business Associates including bankers, Recovery Agents, Investors, Direct Selling Agents, Suppliers and Regulatory Agencies. Our investors include Share Holders (comprising Individual Investors, Corporate Bodies, Foreign Institutional Investors, Indian Institutional Investors, Foreign Bodies, NRIs etc.), debenture-holders and CP holders.

CFHL and its employees strive to provide value based services to the stake holders. 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. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Direct & other communication mechanisms	Daily	To motivate for business, address their concerns, if any, etc.
Shareholders/ Investors	No	Email, SMS, newspaper advertisement, website, Annual General Meetings, intimations to stock exchanges, annual/ quarterly financials and investor meetings/ conferences, Annual Reports.	Periodical and need based	To keep them informed of developments in the Company and to provide clarifications.
Customers	Yes, qualification based on specified criteria such as income, gender, etc.	Multiple channels like SMS, emails, letters, Company website, Notice Board, meetings.	Frequent and need based	To keep them updated about the status of their loan, changes in rate of interest, etc. as per the fair practices code of the Company.
Channel Partners and Key partners	No	Multiple channels like meetings, Annual Report – both physical and digital.	Frequent and need based	To appraise them about the products, changes in rate of interest, if any, the focus of the Company, etc. which helps in growth of business as per the strategy of the Company.

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulators	No	Email, one-on-one meetings, concalls, video-conference, annual report, website	Periodical and need based	Discussions with regard to various regulations and amendments, inspections, approvals, clarifications, compliance etc.
Research Analysts	No	Email/ concalls, meetings, video-conferences, annual report, website	Need based	Keep abreast of developments in the Company and further explanation, if needed by them, on any matter covered in the Investor Presentations.
Communities and NGOs	Yes	Directly and through NGOs as furnished below: <ul style="list-style-type: none"> <li>AID India.</li> <li>SOS children's villages of India, Bengaluru.</li> <li>STEM Learning Private Limited Yeshwanthpur, Bengaluru.</li> <li>Rotary Indiranagar, Bengaluru.</li> <li>Academy for Creating Teaching Trust – ACT</li> <li>Samarthanam Trust for the Disabled.</li> <li>Vishranthi Trust</li> <li>Such other NGOs.</li> </ul>	Purpose and Need based	To conduct activities under Corporate Social Responsibility.

### Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Can Fin maintains continuous and hands on dealings with our key stakeholders for communicating its strategies and performance effectively. Continuous interactions help align expectations and helps Can Fin Homes to provide better service to its stakeholders. The board is kept well informed with regard to several developments and feedback from the Directors is sought for all important issues in the meetings of Board and Board Committees.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Can Fin interacts with various stakeholders to enable the expansion of the housing market and ensuring the increase of home owners since the same helps in increase of housing stock in the Country. The Company is still learning various evolving aspects of ESG, based on the feedback from stakeholders.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The Company's average ticket size under housing is ₹ 21 Lakh and non-housing loans is ₹ 9 Lakh which reflects the achievement of the focus of the Company towards increasing affordable housing as one of the ESG parameters. The borrowers under affordable housing segment comprise low income group and people from economically weaker section of the Society. The

continued focus of the Company towards financing affordable housing and the demand for housing will help the Company in achieving its target towards business responsibility and ESG. The Annual Report on CSR activities as on March 31, 2022 is placed as Annexure-2 to the Report of Directors.

**PRINCIPLE 5:****BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS****Essential Indicator****1. Employees who have been provided training on human rights issues and policy(ies) of the Company**

Category	FY22			FY21		
	Total (A)	No. of employees covered (B)	% (B/A)	Total (C)	No. of employees covered (D)	% (D/C)
<b>EMPLOYEES</b>						
Permanent	799	365	46	756	-	-
Other than permanent	110	86	78	131	-	-
<b>Total Employees</b>	<b>909</b>	<b>451</b>	<b>50</b>	<b>887</b>	<b>-</b>	<b>-</b>

**Note:** The training pertains to the Code of Conduct for employees and Policies of the Company.

**2. Details of minimum wages paid to employees**

Category	FY22					FY21				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES</b>										
<b>Permanent</b>	<b>799</b>	<b>NIL</b>	<b>NIL</b>	<b>799</b>	<b>100</b>	<b>756</b>	<b>NIL</b>	<b>NIL</b>	<b>756</b>	<b>100</b>
Male	599	NIL	NIL	599	100	575	NIL	NIL	575	100
Female	200	NIL	NIL	200	100	181	NIL	NIL	181	100
<b>Other than Permanent</b>	<b>110</b>	<b>NIL</b>	<b>NIL</b>	<b>110</b>	<b>100</b>	<b>131</b>	<b>NIL</b>	<b>NIL</b>	<b>131</b>	<b>100</b>
Male	85	NIL	NIL	85	100	101	NIL	NIL	101	100
Female	25	NIL	NIL	25	100	30	NIL	NIL	30	100

**3. Details of remuneration/salary**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD) (Whole-time directors)	2	60,26,904	0	0
Key Managerial Personnel (other than BoD)	1	18,13,494	2	20,37,288
Employees other than BoD and KMP*	600	69,393	195	40,182

\*Includes only employees who have worked for the entire 12-month period.

**Note:** Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis every quarter end and provision is made in the books accordingly.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The General Manager of the Company oversees the human resources function. In addition, the Executive Directors are responsible for addressing any human rights issues caused or contributed by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company conducts its business in a manner that respects the rights and dignity of all the people, complying with all the legal requirements. All individuals or institutions impacted by the Company's business are provided access to grievance redressal mechanism.

Reporting avenues have been provided for CFHL employees, customers, suppliers and other stakeholders to raise concerns or make disclosures when they become aware of any actual or potential violation of the Company Code, policies or law including human rights violation. The Company also has Whistle Blower mechanism in place.

The Company strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed. The Company maintains a safe and harmonious business environment and workplace for everyone, irrespective of the ethnicity, region, race, caste, gender, religion, disability, work, designation and such other parameters. CFHL believes that every workplace shall be free from violence, harassment, intimidation and/or any other unsafe or disruptive conditions, either due to external or internal threats. Accordingly, CFHL has aimed to provide reasonable safeguards for the benefit of employees at the workplace, while having due regard for their privacy and dignity.

CFHL also has zero tolerance towards and prohibits all forms of slavery, coerced Labour, child Labour, human trafficking, violence or physical, sexual, psychological or verbal abuse. As a matter of policy, Company does not hire any employee or engage with any agent or vendor against their free will.

6. Number of complaints on the following made by employees

	FY22			FY21		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	NIL	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Concerns on discrimination and harassment, if any, will be dealt with confidentially. CFHL does not tolerate any form of retaliation against the complainant. Anyone involved in targeting such a person raising such complaints will be subject to disciplinary action.

The Company is committed to providing equal opportunities to all individuals and is intolerant towards discrimination and / or harassment based on race, sex, nationality, ethnicity, origin, religion, age, disability, sexual orientation, gender identification and expression (including transgender identity), political opinion, medical condition, language as protected by applicable laws.

The Company continues to be an employer for all diversity groups - gender identity, disability, caste, creed, colour, religion, marital status, age, language and any other aspects as applicable, to create and foster an open culture of inclusion for all its stakeholders; and to create an environment which has zero tolerance for discrimination.



CFHL also has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the Company are responsible for conducting inquiries pertaining to such complaints. The Company on a regular basis sensitises its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programme which are held on a regular basis.

**8. Do human rights requirements form part of your business agreements and contracts?**

Yes, in certain agreements and contracts where relevant.

**9. Assessments for the year**

	<b>% of offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	
Forced/involuntary labour	
Sexual harassment	The Company is in compliance with the laws, as applicable. There have been no observations by local/ statutory / third parties in FY 2022.
Discrimination at workplace	
Wages	
Others – please specify	

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not applicable.

**Leadership Indicators**

**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**

The Company believes in the basic principles of human rights in all its dealings and the same is in alignment with its Human Rights Statement. The Company regularly sensitises its employees on the Code of Conduct through training programmes as well.

**2. Details of the scope and coverage of any human rights due-diligence conducted.**

See response above.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Registered Office and branch offices of the Company are located in commercial premises which may be on the ground floor or have elevators.

**4. Details on assessment of value chain partners**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual Harassment	
Discrimination at workplace	The Company expects its value chain partners to adhere to the same values, principles and business ethics followed by the Company. No specific assessment in respect of value chain partners has been carried out other than certain covenants where some of these parameters are being monitored closely in certain arrangements.
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No corrective actions pertaining to Question 4 was necessitated by the Company during the year under review.

**PRINCIPLE 6:****BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT****Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity**

Parameter	FY 2021-22	FY 2020-21
Total electricity consumption (A)	₹ 1,42,64,120	₹ 1,30,21,210
Total fuel consumption (B)	₹ 61,90,119	₹ 46,97,428
Energy consumption through other sources (C)	Nil	Nil
<b>Total energy consumed from non-renewable sources (A+B+C)</b>	<b>₹ 2,04,54,239</b>	<b>₹ 1,77,18,638</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	Nil	Nil

\*The Company has solar lighting and other electrical fittings in some of its branches. However, the consumption through other sources is to a small extent and hence not measured.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

If yes, name of the external agency.

Not applicable.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No/Not applicable.

**3. Provide details of the following disclosures related to water.**

The Company's usage of water is restricted to human consumption purposes only. Efforts have been made to ensure that water is consumed judiciously in the office premises.

Parameter	FY 2021-22	FY 2020-21
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others – Rainwater utilized	Nil	Nil
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	<b>Nil</b>	<b>Nil</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>Nil</b>	<b>Nil</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	<b>Nil</b>	<b>Nil</b>

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

If yes, name of the external agency.

Not applicable

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No.

## 5. Please provide details of air emissions (other than GHG emissions) by the entity.

Not applicable.

## 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) &amp; its intensity

Parameter*	Unit	FY22	FY21
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)		Not available	Not available
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)		Not available	Not available
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>		Not available	Not available
<b>Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity</b>		Not available	Not available

Our Scope 1 emission includes emissions from consumption of fuels in backup generators and Company owned vehicles for which allowances is provided to executives by the Company.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

Not applicable.

## 7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company is endeavoring to reduce its own GHG emissions pertaining to its office activities through installation of solar panels where feasible.

The Company has started using LED lights, solar panels, energy efficient Inverters and Air conditioners.

## 8. Provide details related to waste management by the entity

Parameter	FY 2021-22	FY 2020-21
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	Not available	Not available
E-waste (B) in Kgs	370	600
Bio-medical waste (C)	Not applicable	Not applicable
Construction and demolition waste (D)	Not applicable	Not applicable
Battery waste (E)	Not applicable	Not applicable
Radioactive waste (F)	Not applicable	Not applicable
Other Hazardous waste. Please specify, if any. (G)	Not applicable	Not applicable
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Not applicable	Not applicable
Total (A+B + C + D + E + F + G + H)	370	600
<b>For each category of waste generated, total waste recovered through recycling, re- using or other recovery operations (in metric tonnes)</b>		
Category of waste		
(i) Recycled	Not applicable	Not applicable
(ii) Re-used	Not applicable	Not applicable
(iii) Other recovery operations	Not applicable	Not applicable
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Given the nature of the business, there is no usage of hazardous and toxic chemicals by the Company.

The Company has various systems in place to manage e-waste. The Company engages with certified e-waste handlers for disposal of e-waste.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details.

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Nil	Nil	Nil	Nil
Not Applicable as there are no operations near the above-mentioned zones.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable.					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances.

Yes. CFHL has been compliant with applicable environment laws and regulations.

Based on the nature of business, the Company is following applicable environmental law/ regulations/ guidelines/ norms. No fine/ penalty/action was initiated against the entity under any of the applicable environmental laws/ regulation/ guidelines.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non - compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				

## Leadership Indicators

## 1. Provide break-up of the total energy consumed from renewable and non-renewable sources

This information has been covered in Principle 6, Q1 of the Essential Indicators

Parameter	FY 2022 (Current Financial Year)	FY 2021 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	---	---
Total fuel consumption (B)	---	---
Energy consumption through other sources (C)	---	---
<b>Total energy consumed from renewable sources (A+B+C)</b>	---	---
<b>From non-renewable sources</b>		
Total electricity consumption (D)		
Total fuel consumption (E)	---	---
Energy consumption through other sources (F)	---	---
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	---	---

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable.

## 2. Provide the following details related to water discharged:

Not reported this year, the quantities are not expected to be materially significant.

Parameter	FY 2021-22	FY 2020-21
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
<b>(i) To Surface water</b>	---	---
- No treatment	---	---
- With treatment – please specify level of Treatment	---	---
<b>(ii) To Groundwater</b>	---	---
- No treatment	---	---
- With treatment – please specify level of Treatment	---	---
<b>(iii) To Seawater</b>	---	---
- No treatment	---	---
- With treatment – please specify level of Treatment	---	---
<b>(iv) Sent to third-parties</b>	---	---
- No treatment	---	---
- With treatment – please specify level of Treatment	---	---
<b>(v) Others</b>	---	---
- No treatment	---	---
- With treatment – please specify level of Treatment	---	---
<b>Total water discharged (in kiloliters)</b>	---	---

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable.

3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

Not reported this year, the quantities are not expected to be materially significant as our operations do not involve water extraction for any industrial purposes. Our water consumption is limited to drinking and domestic consumption.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format

Not applicable.

Parameter	Unit	FY 2021-22	FY 2020-21
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)		-	-
<b>Total Scope 3 emissions per rupee of turnover</b>		-	-
<b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		Nil	

Not Applicable as there are no operations near the above-mentioned zones.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		Nil	

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. The Company has a Business Continuity plan in place.

Availability of applications forms the critical component of BCP (Business Continuity Planning) Regular, disaster recovery drill is a must to mitigate any unforeseen event. Disaster drills are conducted at regular intervals to ensure the set procedures are working as defined within the defined Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO). Stakeholders are enabled on the process to be followed as response to disaster through active participation in Disaster Drills.

Disaster Drills are audited as parts of is audits through certified auditors. Observations received from such audits are Considered as a part of continuous improvements.

The plan is reviewed at periodic intervals and the management and board are kept abreast of any developments or changes in the BCP.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Given that the company is in the business of providing housing finance, there has been no adverse impact to the environment.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

None.

#### PRINCIPLE 7:

#### BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

##### Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

Nil

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/affiliated to:

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/National)
		Not Applicable

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not applicable.

##### Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available

Nil

The Company is a member of the Association of HFCs and actively provides feedback to the regulator through the Association.

**PRINCIPLE 8:****BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

## Essential Indicators

## 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results Communicated in public domain (Yes / No)	Relevant Web link
Not applicable.					

## 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&amp;R) is being undertaken by your entity.

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not applicable						

## 3. Describe the mechanisms to receive and redress grievances of the community.

The Company has various mechanisms to receive and redress grievances of various stakeholders. Details of such mechanisms and policies is detailed elsewhere in this report.

## 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

Not applicable.

## Leadership Indicators

## 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).

Details of negative social impact identified	Corrective action taken
Not applicable.	

## 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

Sl. No.	State	Aspirational Districts	Amount spent (₹ in Cr)
Nil			

## 3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No. Being in the service sector, except for technology related services, the Company has limited procurement needs. The Company purchases consumables for its daily operations, which are decentralised and preference is given to local suppliers.

(b) From which marginalised /vulnerable groups do you procure? Not Applicable

(c) What percentage of total procurement (by value) does it constitute? Not Applicable



4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Not applicable.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not applicable.

6. Details of beneficiaries of CSR Projects

Sl. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	<b>Combat COVID - 19</b> To Provide financial support for creating healthcare infrastructure for COVID care, establishment of medical oxygen generation and storage plants, manufacturing and supply of oxygen concentrators, cylinders and other medical equipment for countering covid19 To Provide financial support for creating awareness and public outreach on COVID vaccination programme.	4,000	The primary objective of the CSR projects of the Company is to Promote education for the under privileged students and to the tribals, Health care measurements, solar energy projects and welfare measures for vulnerable and marginalised communities.
2	<b>Contribution to Central Govt.</b> Contribution to the Prime Minister's Citizen Assistance & Relief in Emergency Situations Fund (PM CARES Fund)	10,000	
3	<b>Environmental Sustainability</b> <ul style="list-style-type: none"> <li>• Conservation of Natural Resources</li> <li>• Renewable energy Projects</li> <li>• Animal welfare</li> </ul>	20,128	
4	<b>Healthcare</b> <ul style="list-style-type: none"> <li>• Providing needy equipment's and other items to the hospitals – Govt. hospitals, charitable hospitals managed by trust/ society</li> </ul>	49,200	
5	<b>Promoting Education</b> <ul style="list-style-type: none"> <li>• Providing financial assistance / grant / scholarship to poor and meritorious students for persuasion of higher / professional studies.</li> <li>• Providing education materials including books, school bags, etc. to the poor children of government schools or schools situated in rural/backward areas.</li> <li>• Construction / Renovation / repair / up gradation of infrastructural facilities at government schools or schools situated in rural/backward areas</li> <li>• Providing materials such as computers, tables, chairs, benches, fans, lights, blackboards etc.</li> <li>• Providing training facilities to enhance vocational skills to the poor section of the society.</li> </ul>	22,320	
6	<b>Welfare Measures</b> Providing infrastructure facilities for differently abled, old, homeless and the destitute, like setting up old age homes, day care centers and such facilities	75	
7	<b>Sports / Tribals</b> Construction, renovation and maintenance of stadiums, gymnasiums and setting up sport academies.	409	
8	<b>Eradicating Hunger</b> Supplementing of Government schemes like mid day meal by Corporates through additional nutrition	25	

**Note:** The primary objective of the CSR project of the Company is to promote education for underprivileged students, tribals, healthcare measures, solar energy projects and welfare measures for vulnerable and marginalised communities.

**PRINCIPLE 9:****BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has a systematic Grievance Redressal Mechanism. If the customers have any grievances, they can make a complaint in writing or email addressed to the concerned Branch Manager, mentioning the account number and gist of the complaint. If the branch fails to resolve the complaints within 7 working days or the customer is dissatisfied with the resolution offered, the aggrieved customer may appeal to Grievance Redressal Department by sending an email to [grievance.redressal@canfinhomes.com](mailto:grievance.redressal@canfinhomes.com) stating the reasons for appeal (OR) grievance can be lodged in CFHL online web-portal <https://www.canfinhomes.com/Grievance.aspx> (OR) Grievance can be lodged at Grievance Redressal Department Telephone Number 080-26560277 (OR) In cases where internet facility is not available or even otherwise, customers are free to send their grievance by Post to the Grievance Redressal Department. The grievance may be addressed to the Grievance Redressal Department. Contact Details: Grievance Redressal Officer, Can Fin Homes Ltd, No 29/1, Sir. M N Krishna Rao Road, Basavanagudi, Bengaluru 560004.

**Grievance Redressal Mechanism: Key Highlights****i. Easy upload and creation of complaints**

Any aggrieved customer can update his/her grievance into the Grievance Redressal Portal ('Portal') at the official website of the Company viz., [www.canfinhomes.com](http://www.canfinhomes.com) - a state of the art web based system. All Complaints/Queries/Requests/Suggestions received from the Company's website are auto uploaded to the CFHL Online Web-portal. The Portal will record and categorize grievances into different types and maintain turnaround times (TAT) for specific category / sub-category. Company has escalation mechanism/matrix for cases not resolved within defined TAT. With this the Company shall not only ensure that all the issues are recorded and resolved, but shall also ensure effective monitoring /escalation mechanism to the senior functionary responsible in case of the grievance not being resolved within the defined timelines. Apart from direct grievances from customers, complaints received from various regulatory bodies portals including NHB GRIDS, CPGRAMS, INGRAM (National Consumer Helpline) & Canara Bank (RBI-BO, INGRAM & CPGRAMS) are downloaded from their respective platforms & will be handled by the Grievance Redressal Department at Registered office.

**ii. Verification of customer credentials, customer information security**

Customer posting complaints from the website need to authenticate their customer credentials via a one-time password. Thereafter, the complaints of verified customers are auto uploaded on the Online Web-Portal. Responses to customer complaints are sent to the registered email Id's to ensure customer information security.

**iii. Complaint ID acknowledgement mail and advisory to customers**

Soon after uploading the Complaint to the Company's Centralised Online We-portal, instant acknowledgement Email/SMS sent to the complainant's registered Email Id & Mobile Number with unique Complaint Reference Number.

**iv. Assignment of Complaints**

Depending on the nature of the grievance, specific timelines have been set for different categories. Grievances shall be resolved in a proper and time bound manner with detailed advice to the customer. The Company has a four-tier escalation mechanism/matrix for customer grievances. The customer is kept informed in case of any delay envisaged by the Company in resolution of the grievance beyond the stated timelines. Company to send final response/redressal within One month from the date of acknowledgement or explain to the customer why it needs more time and redress within maximum period of Six weeks of receipt of a complaint.

**v. Monitoring and Analysing Complaints**

The Company has a regular process of internal review & monitoring with Root Cause Analysis of customer grievances at multiple hierarchies to enhance Quality and effectiveness of customer service. MD & CEO of the Company to review

periodically (i) Customer Feedback (Complaints) and (ii) Grievance Redressal. The Status of Complaints including the nature of Complaints, will be placed before the Stakeholders Relationship Committee of the Board on a quarterly basis.

## 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.

Total Number of Grievances received & redressed forms a small & insignificant percentage of the Total Number of Customers of the Company.

## 3. Number of consumer complaints in respect of the following:

	FY22		Remarks	FY21		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil		Nil	Nil	
Advertising	Nil	Nil		Nil	Nil	
Cyber-security	Nil	Nil		Nil	Nil	
Delivery of essential services	Nil	Nil		Nil	Nil	
Delivery of essential services	Nil	Nil		Nil	Nil	
Restrictive Trade Practices	Nil	Nil		Nil	Nil	
Unfair Trade Practices	Nil	Nil		Nil	Nil	
Others	1328	Nil		2423	Nil	

Remarks for FY 22:- pending resolution at the end of the year :- \*We have already replied & uploaded our Reply Redressal Reports to Regulatory bodies' Portals such as NHB GRIDS, CPGRAMS & INGRAM. However, there were 22 Grievances as on that date (i.e. 31/03/2022) which were not yet closed. However, subsequently all 22 grievances are marked as closed by NHB, CPGRAMS & INGRAM.

## 4. Details of instances of product recalls on account of safety issues

Not applicable.

	Number	Reasons for recall
Voluntary recalls	--	--
Forced recalls	--	--

## 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The Company has in place Board approved Cyber Security/ IT Policies and the same are accessible through IBS-intranet.

## 6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

No penalties/regulatory action has been levied on related to cyber security and data privacy of customers.

## Leadership Indicators

### 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information relating to all the loan products and services provided by Can Fin Homes are available on the Company's website, www.canfinhomes.com. Additionally, the Company actively utilises various social media and digital platforms to impart information as well as propagate its loans and deposits.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Most Important Terms and Conditions (MITC) provides extensive information and ensures transparency on lending products. The Fair Practices Code is accessible on the Company's website, [www.canfinhomes.com](http://www.canfinhomes.com)

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Kindly refer to details on Business Continuity and Disaster Management which has been elucidated under Principle 6.

During the year, there were no major disruptions of critical services of the Company.

During the COVID-19 pandemic related disruptions, customers were intimated of the same through the electronic communication, website and SMS. All efforts were made to ensure that customers could be serviced during the lockdown period.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Can Fin has always exhibited transparency by providing all the relevant details to its customers. The FPC and MITC documents are displayed on the notice boards of branches and prominently on the website of the Company with all details pertaining to service charges, interest rates, product information and grievance redressal mechanisms for its home loan borrowers and depositors. All potential customers are required to read and sign-off the same at the time of loan sanction.

Customer data privacy and security is accorded top priority and the same is ensured through robust information security systems.

Customer satisfaction surveys to seek feedback from its borrowers are undertaken periodically for the purpose of improving systems, processes, to plug lacuna if any and for enabling the training of employees .

**5. Provide the following information relating to data breaches**

- a. **Number of instances of data breaches along with impact**
- b. **Percentage of data breaches involving personally identifiable information of customers**

The Company did not witness any such instances of data breaches during the year.

For and on behalf of the Board of Directors

Place : Bengaluru  
Date : August 04, 2022

Sd/-  
**Girish Kousgi**  
Managing Director & CEO