

BUSINESS RESPONSIBILITY REPORT

ANNEXURE H

Policy on Business Responsibility

The Company abides by a set of enduring values and beliefs called the ‘five lights’ viz., the lights of Integrity, Passion, Quality, Respect and Responsibility in order to be a socially responsible business, which would on a continuous basis, enhance the interests of all its stakeholders. By steadfastly upholding the principles of good and robust corporate governance ingrained with discipline, accountability, transparency and fairness, the Company constantly endeavors to sustain and enhance itself as a responsible corporate citizen.

** The demerger of the manufacturing business undertaking of the Company into the Tube Investment of India Limited (Resulting Company) under the Scheme of Arrangement (Demerger) upon sanction by the National Company Law Tribunal, Chennai vide its Order dated 17th July, 2017 was made effective from 1st August, 2017 and became operative from 1st April, 2016 viz., the Appointed Date under the Scheme of Arrangement. Hence, this Report relates to the remaining business viz., the financial services business of the Company.*

Section A: General Information about the Company*

1.	Corporate Identity Number (CIN)	L65100TN1949PLC002905						
2.	Name of the Company	TI Financial Holdings Limited						
3.	Registered office address	‘Dare House’, 234 N S C Bose Road, Chennai – 600 001						
4.	Website	www.tifhl.com						
5.	E-mail ID	investorservices@tifhl.murugappa.com						
6.	Financial Year reported	1 st April, 2016 to 31 st March, 2017						
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Investment Activity						
	<table border="1"> <thead> <tr> <th>NIC Code</th> <th>Group</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>K</td> <td>6430</td> <td>Investment Activity</td> </tr> </tbody> </table>	NIC Code	Group	Description	K	6430	Investment Activity	
NIC Code	Group	Description						
K	6430	Investment Activity						
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Investment						
9.	Total number of locations where business activity is undertaken by the Company	1						
	(a) Number of International Locations	Nil						
	(b) Number of National locations	Nil						
10.	Markets served by the Company	National						

Section B: Financial details of the Company*

1.	Paid up Capital (INR)	18.75 Cr.
2.	Total Turnover (INR)	40.07 Cr. (investment income)
3.	Total profit after taxes (INR)	36.29 Cr.
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	7.08%
5.	List of activities in which expenditure in 4 above has been incurred	Refer CSR Report

Section C: Other details

1.	Does the Company have any subsidiary company/ companies?	Yes. The Company has one subsidiary company viz., Cholamandalam MS General Insurance Company Limited
2.	Do the subsidiary company / companies participate in the BR Initiatives of the parent company?	The said subsidiary has its own CSR initiatives in broad thematic areas with focus on quality service delivery and empowerment.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

Section D: BR Information**1. Details of Director/Directors responsible for BR**

Details	
(a) Details of the Director/Director responsible for implementation of the BR policy/policies	
1. DIN	00123338
2. Name	N Srinivasan
3. Designation	Director
(b) Details of the BR head	Same as above

2. Principle-wise BR Policy/policies

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

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

a) Details of compliance

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

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

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

3. Governance related to BR

- a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year.
Annually assessed
- b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
Yes. Besides in the Annual Report, the Business Responsibility Report is also available in the website of the Company at www.tifhl.com

Section E: Principle-wise Performance

Principle 1 – Ethics, Transparency & Accountability

- 1) Does the policy relating to Ethics, Bribery and Corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Policy extends to the Company. The Subsidiary, Associate and the joint venture have their own policies.

- 2) How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.

One investor complaint was received towards the end of March, 2017 and hence, the same was pending as at 31st March, 2017. Subsequently, the same was closed in April, 2017.

Principle 2 - Safety and sustainability of goods & services

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

Not applicable. The Company is an investment company.

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

(i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Not applicable

(ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not applicable

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

Not applicable

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

Not applicable

- 5) Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).

Not applicable

Principle 3 - Promotion of wellbeing of employees[#]

- 1) Please indicate the total number of employees.

Nil

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

Nil

- 3) Please indicate the number of permanent women employees.

Nil

- 4) Please indicate the number of permanent employees with disabilities.

Nil

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

Nil

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

Nil

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

Nil

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

Nil

- Permanent Employees (includes women employees and employees with disabilities)

Nil

- Casual/Temporary/Contractual Employees

Nil

[#]Consequent to the Demerger, the employees of the Company, pursuant to the Scheme were transferred to Resulting Company, Tube Investments of India Limited.

Principle 4 - Responsiveness towards stakeholders

- 1) Has the Company mapped its internal and external stakeholders?

Yes

- 2) Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Not applicable

- 3) Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders.

Yes. Please refer CSR Report

Principle 5 - Promoting human rights

- 1) Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company's policy on human rights is imbibed in its values represented in the Five Lights guiding the Company, its group companies and their employees across all spheres. The alignment with this value system is expected out of any person dealing with the Company.

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

One investor complaint was received towards the end of March, 2017 and hence, the same was pending as at 31st March, 2017. Subsequently, the same was closed in April, 2017.

Principle 6- Protecting the environment

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

Policy is applicable only to the Company.

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

Not applicable

- 3) Does the Company identify and assess potential environmental risks?

Not applicable

- 4) Does the Company have any project related to Clean Development Mechanism?

No

- 5) Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. ?

No

- 6) Are the emissions/wastes generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Not applicable

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

Nil

Principle 7- Responsibility towards public and regulatory policy

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

Principle 8 – Supporting inclusive growth and development

- 1) Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?

Yes. Please refer CSR Report

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

Yes. Please refer CSR Report

- 3) Have you done any impact assessment of your initiative?

Impact assessment is done for all major initiatives.

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

Yes. Please refer CSR Report

- 5) Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Initiatives are identified based on the requirement of the community such that the benefits out of them are of an enduring nature like operation of mobile medical unit, infrastructure and sanitation facilities for schools etc. Please refer CSR Report

Principle 9 - Providing value to customers & consumers

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

Nil

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

Not applicable

- 3) Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. No.

- 4) Did your Company carry out any consumer survey / consumer satisfaction trends?

Not applicable