

Annexure (E) to Directors' Report

Business Responsibility Report

As a responsible corporate citizen, Himachal Futuristic Communications Limited (HFCL) presents its Business Responsibility Report (BRR), in line with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011. The report has been prepared in accordance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Over the last three decades, we have manufactured high technology telecom products and implemented several telecom networks in

the field of Wireless Transmission & Access, Optical Transport & Access, Satellite Network, CDMA / GSM Networks, WiFi Networks, Surveillance Networks etc. Since its inception, the Company has implemented over 25,000+ 2G/3G cell sites infrastructure and rolled out over 100,000 km of optical fibre cable networks for telecommunication, railways, oil & gas companies and high security networks for defence forces and internal security establishments.

The Company is presenting its second Business Responsibility Report forming part of its Annual Report 2017-18 hereunder:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S. No	Particulars	Remarks								
1.	Corporate Identity Number (CIN) of the Company	L64200HP1987PLC007466								
2.	Name of the Company	Himachal Futuristic Communications Limited								
3.	Registered Address	8, Electronics Complex, Chambaghat, Solan – 173 213, Himachal Pradesh Tel: + 91-1792-230644								
4.	Website	www.hfcl.com								
5.	E-mail id	secretarial@hfcl.com								
6.	Financial year reported	2017-18								
7.	Sector(s) that the Company is engaged in (industrial activity code wise): [Source: National Industrial Classification Code (NIC)]	Optical Fibre Cable-27310* Turnkey Contracts and services-42202								
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	The Company is into the manufacturing of telecom products and providing telecom turnkey contracts & services.								
9.	Total no. of locations where business activity is undertaken by the Company	National locations: Plants located at Solan (Himachal Pradesh) and Salcete (Goa), Turnkey contracts and services are provided on Pan India basis. International locations: Nil								
10.	Markets served by the Company	<table border="1"> <thead> <tr> <th>Local</th> <th>State</th> <th>National</th> <th>International</th> </tr> </thead> <tbody> <tr> <td>√</td> <td>√</td> <td>√</td> <td>√</td> </tr> </tbody> </table>	Local	State	National	International	√	√	√	√
Local	State	National	International							
√	√	√	√							

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up equity share capital	₹123.94 crore
2.	Total turnover	₹3070.08 crore
3.	Total profit after tax	₹155.03 crore
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after tax (%)	2.57%
5.	List of activities in which expenditure in 4 above has been incurred	<ul style="list-style-type: none"> i. Running Specialized Mobile Medicare Unit (SMMU) Solan, Himachal Pradesh ii. Running Mobile Medicare Unit (MMU) Goa and Sardarshahar in Churu district of Rajasthan iii. Running Mobile Medicare Clinic (MMC) in Ghazipur, Uttar Pradesh and Hyderabad, Telangana iv. Providing quality education through new age digital learning solutions in Ghaziabad and Sardarshahar in Churu district of Rajasthan. v. Providing specialized healthcare in Valsad, Gujarat and New Delhi vi. Created infrastructure for an Old Age Home in Garhmukteshwar, Uttar Pradesh vii. Sponsoring higher education at IIT, Madras viii. Promoting equal education for underprivileged children etc.

* As per IEM issued by Department of Industrial Policy & Promotion, Ministry of Commerce and Industry, New Delhi.

SECTION C: OTHER DETAILS**1. Does the Company have any Subsidiary Company/ Companies?**

The Company has four subsidiaries viz. HTL Limited, Moneta Finance Private Limited, HFCL Advance Systems Private Limited and Polixel Security Systems Private Limited.

2. Do the Subsidiary Company/Companies participate in the Business Responsibility (BR) initiatives of the parent company? If yes, then indicate the number of such subsidiary companies:

Subsidiary companies are not directly involved in the Company's BR initiatives.

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%]:

Other entities are not directly involved with the Business Responsibility initiatives of the Company.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION**1) Details of Director(s) responsible for BR****a). Details of Director responsible for implementation of BR policy(ies):**

S. No.	Particulars	Details
1.	DIN number	00052977
2.	Name	Shri M P Shukla
3.	Designation	Chairman

b). Details of BR head

S. No.	Particulars	Details
1.	DIN number (if applicable)	-
2.	Name	Shri Manoj Baid
3.	Designation	Vice President (Corporate) & Company Secretary
4.	Telephone Number	011-30882624
5.	E-mail id	secretarial@hfcl.com

2) Principle-wise (as per NVGs) BR Policy / policies

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs (MCA) have identified nine areas of Business Responsibility which have been coined in the form of nine business principles. These principles (P1 to P9) are as under:

P1	Businesses 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 well-being of all employees.
P4	Businesses should respect the interests of and be responsive towards all the 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 engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) Details of compliance (Reply in Y / N):

S. No.	Questions	Ethics, Transparency and Accountability	Product responsibility	Wellbeing of Employees	Stakeholders' Engagement	Human Rights	Environment	Public Policy	Inclusive Growth	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies on the BR principles?	Y	Y	Y	Y	N	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	N	Y	Y	N	Y	N	Y	Y
3	Does the policy confirm to any national/ international standards? If yes, specify?	Y	Y	Y	Y	N	Y	N	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Y	N	N	Y	N	N	N	Y	N

S. No.	Questions	Ethics, Transparency and Accountability	Product responsibility	Wellbeing of Employees	Stakeholders' Engagement	Human Rights	Environment	Public Policy	Inclusive Growth	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Does the company have a specified Committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	N	Y	N	Y	Y
6	Indicate the link for the policy to be viewed online?	Code of Conduct (i) Internal	Internal	CSR Policy (ii)	N	Internal	N	CSR Policy (ii)	Internal	
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Business Responsibility Policy has been communicated to all key internal stakeholders of the Company.								
8	Does the company have in-house structure to implement the policy/policies.	The Committee of Board of Directors is responsible for implementation of the BRR Policy at macro level. At micro level the business heads are responsible for its implementation.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	The Company has a vigil mechanism policy which provides redressal mechanism for different stakeholders. The existing Business Responsibility policy also contains grievance redressal mechanism.								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

- (i) a. http://www.hfcl.com/wp-content/uploads/2016/02/Code-of-business-conducts-Ethics_Directors.pdf
- b. <http://www.hfcl.com/wp-content/uploads/2017/05/Code-of-Business-Conduct-and-Ethics-Senior-Management-Personnel.pdf>

- (ii) <http://www.hfcl.com/wp-content/uploads/2016/01/CSR-Policy.pdf>

Note:

Elements of all above referred 9 (nine) national voluntary guideline principal are enshrined in our Business Responsibility Policy. Business Responsibility Policy is available online for both internal and external stakeholders and has been approved by the Board of Directors of the Company.

- b) **If answer to question at Sr. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

S. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principle(s).									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3	The Company does not have financial or manpower resources available for the task.									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year.									
6	Any other reason (please specify).					*		*		

* Suitable Decision for policies will be taken at an appropriate time.

3) Governance related to BR

- a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Board/Committee would review the BR performance at least annually.

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

Yes the Business Responsibility Report (“BRR”) is published annually as part of the Annual Report. The First BRR was published in 2016-17.

The BRR for both the years alongwith Business Responsibility Policy of the Company can be accessed at <http://www.hfcl.com/archive#corporate-governance-arc>.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

HFCL’s practices highest standard of ethics, transparency and accountability in its business conduct. Its code of conduct mandates that every directors and senior management shall conduct himself with utmost professionalism, honesty and integrity, while conforming to high moral and ethical standards.

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?

Anti-bribery and Anti-corruption policy applies to all individuals worldwide working for all affiliates and subsidiaries of HFCL at all level and grades.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The Company has a Grievance Redressal mechanism for receiving complaints from different stakeholders, viz. shareholders, customers, employees, vendors, etc. There are dedicated resources to respond to the complaints within a stipulated time. During the year under review, the Company did not receive any complaints relating to ethics, bribery and corruption from any stakeholders.

Principle2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Safety and sustainability guides HFCL across all its business operations. The Company endeavours to minimize the consumption of natural resources and energy in its offices, manufacturing units, transportation of raw material and finished goods and Engineering, Procurement and Construction (EPC) of telecom networks on behalf of its customers. Optimising copier paper by using the both sides of it, usage of recyclable cardboard or wooden boxes for packaging, route optimisation and sharing of vehicles for staff and product transportation, laying of underground OFC cables without removing any tree, etc. depict Company’s ethos and sensitivity towards safer and sustainable delivery of its products and services.

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

HFCL manufactures Optical Fibre Cables (OFC) with various type of designs and always take care of environmental concerns, while designing cables by selecting raw material which meets compliance obligations.

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

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

a. All the raw materials which are used to manufacture optical fibre cables are RoHS (Restriction of Hazardous Substances) and REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) compliance. HFCL also got CPR compliance (DCA & ECA Class) for its popular product families and is further working to achieve higher classes of CPR Compliance.

b. Reduction in diameter of Optical Fibre Cables (Micro Cables) by approx. 10% which has resulted in reduction in various raw materials for manufacturing of Optical fibre Micro cables and helped in conservation of resources.

c. New designs manufactured where use of Jelly, which is a petroleum product is eliminated and instead dry water blocking tape is introduced and used. These dry tube/ dry core designs helps in reduction in use of petroleum products.

d. Water which is used in manufacturing process is continuously recycled with effective effluent recycling process and hence there is reduction in fresh water consumption.

e. During manufacturing process, noise level reduction is taken care of by providing enclosure to all machines which produces noise.

f. HFCL always looking at ways to reduce scrap generation. The Company has several internal projects which targets reduction in waste generation during cable manufacturing. At product purchase end, the Company is using recyclable filling gel drums, plastic spools and steel drums to reduce scrap generation.

g. Rubber wood used in packaging of finished product and it does not create any hazardous impact to environment as it is a biodegradable material.

h. HFCL also has certificate of compliance to Underwriters Laboratory, USA in accordance with its safety standards for some of its Optical fibre cables.

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

We have used Solar Power at all the 567 BTS sites in LWE project thereby avoiding the use of Diesel Generators which are normally used as backup power supply for the BTS and

Microwave radios. In fact in our case, almost all the sites are running using Solar power.

Each site needs approx 350 watts of power. Assuming a 12 hour consumption of this power per day, we are saving about 126 KWHr energy per month per site.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The key focus of the Company’s supply chain management remains on identifying and associating with established vendors with a proven track record of product and/or service delivery over a longer period of time. Most of the raw materials are sourced through long-term contracts with reputed suppliers.

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

While the Company sources most of its input material and services from the organized sector, it endeavours to deploy localized sourcing whenever possible. In its EPC business, it sources construction material like cement, sand, aggregate, bricks, paint, brush etc. from vendors operating in vicinity of each project site. While professional and skilled manpower of the project management team comprises of permanent employees of the Company and/or its contract vendors, the Company tries to source semi-skilled and unskilled manpower from local community and impart necessary skills.

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%). Also, provide details thereof, in about 50 words or so.

Packing cardboards	> 10%
Waste wooden & plastic pallets	> 10%
Empty metal barrels & plastic containers	> 10%
Polythene bags	> 10%
Plastic bobbins	> 10%
Waste cable pieces	> 10%

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

The Company considers its Human Capital as one of the most valuable assets. The Company ensures strict adherence to safety policies by all its employees. The Company celebrates safety/

environment week to make the employees aware of safety and environmental norms. In order to achieve a healthy, happy and productive employee pool, the Company extends Pre-Employment & Annual Health Check-ups, Occupational and Skill Enhancement Training, Maternity/ Paternity benefits, Insurance (Health, Accident, Life) , subsidized food, transport facility for late working and night shift working etc.

The Company fosters a spirit of higher camaraderie and higher performance levels through a host of initiatives including celebration of birthdays, bestowing of rewards & recognitions, etc.

1. Please indicate the total number of employees.

As on March 31, 2018, the Company employed 1,335 people on its rolls.

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

A total of 46 employees were hired on temporary/contractual/ casual basis.

3. Please indicate the number of permanent women employees.

As on March 31, 2018, the Company had 127 permanent women employees.

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

The Company has no permanent employees with disabilities.

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

The Company has one employee association.

6. What percentage of your permanent employees are members of the recognised employee associations?

Out of the total 1,335 workforce, about 6.97% of the total employees are members of recognized employee association.

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.

The Company received no complaints pertaining to child labour, forced labour, involuntary labour, sexual harassment, discriminatory employment during the FY18. There are no such pending cases as on March 31, 2018.

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

Safety and skill enhancement training is provided to all permanent employees, contractual/ temporary/ casual employees.

Principle 4: Businesses should respect the interests of, and be responsive towards all the stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

In its pursuit of sustainable development of its business and also telecom network of India and the other international geographies of its interest, HFCL recognizes and respects the interest of all its

stakeholders - employees, customers, telecom using consumers, shareholders, lenders, vendors, governments, regulators, and community at large. No discriminatory treatment is given to any of the stakeholders. Various social initiatives viz providing medical facilities to the marginalized older person and their communities living around Solan, Goa, Sardarshahar, Ghazipur and Hyderabad have been taken under Company's CSR activities under the preventive healthcare programs. The Company's other CSR activities include advance healthcare, new age digital learning solutions, supporting under privileged meritorious students, supporting mentally and physically challenged elderly persons.

1. Has the Company mapped its internal and external stakeholders? Yes/No.

Yes.

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

Out of its diverse stakeholders, the Company has identified the community surrounding its business operations as the disadvantaged, vulnerable and marginalized stakeholders.

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

The Company has identified the target communities and community-specific empowerment programs, devised an implementation plan, aligned with the implementation partners and has rolled out some community benefit programs with a impact assessment mechanism in place. The details of Company's Community Development Initiatives are provided in the CSR section as an **Annexure 'D'** to the Directors' Report.

Principle 5: Businesses should respect and promote human rights.

The Company respects and promotes 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?

Clause 5.1 of the Business Responsibility Policy deals with the provision relating to the promotion of human rights. The Company recognized and respects human rights of all relevant stakeholders and groups.

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

The Company received no stakeholder complaints in the year gone by relating to human rights violation.

Principle 6: Businesses should respect, protect and make efforts to restore the environment.

The Company conducts its business operations in highly environment sensitive manner with a sharper focus on conservation and restoration of environment.

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

The said policy is also extended down the line and applicable to our contractors and suppliers.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming etc.? Yes/No. If yes, please give hyperlink for web page etc.

Yes. A safe and healthy working environment is the Company's top priority. The Company shall continuously seek to improve environmental performance by adopting cleaner production methods, promoting use of energy efficient and environmental friendly technologies.

3. Does the Company identify and assess potential environmental risks? Yes/No

Yes. The Company's Environmental Management System is ISO 14001 certified. Environmental impacts are studied for all various activities. All the raw materials used to manufacture optical fibre cables are RoHS complaint. As a part of E-Waste recycling, HFCL always dispose E-waste by safely handing over to approved E-waste Vendors. Optical Fibre Cable is laid by using Horizontal drilling method thus avoiding damage to the trees and shrubs. The earth is restored wherever pits are dug.

4. Does the Company have any project on Clean Development Mechanism? If so, provide details thereof, in maximum 50 words. Also, if yes, whether any environmental compliance report is filed?

No

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The Goa plant has taken many initiatives towards energy conservation including installation of power efficient LED mid-bay fitting, optimising natural light through efficient roof sky lighting and rain water harvesting. HFCL's OFC turnkey division has deployed Solar Power in setting up GSM network for BSNL. The Company use VOC free material in PCB assembly instead of alcohol based material. The Goa Plant has also setup a Sewage treatment plant (STP) of capacity 30 KL per day to recycle all its domestic waste water. The treated water is used for gardening purpose thus saving water. At Goa plant all street lighting has been replaced with high efficiency LED street lights thus reducing power consumption. The Goa plant has also installed high efficiency compressed air suction devices on sheathing lines to reduce consumption of compressed air and noise.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB (Central Pollution Control Board)/SPCB (State Pollution Control Board) for the financial year being reported?

Yes.

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

The Company has not received any show cause/ legal notices in relation to emission/pollution regulators for the financial year 2017-18.

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

The Company practices utmost responsibility in policy advocacy.

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

Yes. The Company is a member of several key Indian industry associations namely, The Associated Chambers of Commerce and Industry of India (ASSOCHAM), Federation of Indian Chamber of Commerce and Industry (FICCI), Confederation of Indian Industry (CII), Telecom Equipment Manufacturers Association of India (TEMA), Goa Chamber of Commerce and Industry & Verna Industrial Association.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes, specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others, etc.)

The Company actively participates in discussions pertaining to issues/policies related to Telecom and IT.

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

The Company strongly believes in an even and fair distribution of created economic value towards homogenizing socio-economic development in an inclusive and equitable manner.

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

The Company is following a well-defined CSR roadmap and undertakes CSR activities through its registered society i.e. HFCL Social Services Society, which was established by the Company in 1996. The Company intends to make preventive healthcare, medical relief, sanitation & potable water, hunger & malnutrition eradication, rural development and quality education as the key areas of CSR intervention. The detailed CSR initiatives of the Company have been presented in the Annual Report on the CSR activities which is marked as "Annexure - D" to the Directors' Report.

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

The Company undertakes its CSR initiatives through its registered society i.e. HFCL Social Services Society ("HSSS")

established by the Company in the year 1996. HFCL and HSSS have joined hands with the many NGOs to undertake the CSR Projects of HFCL. Some of the NGOs/implementing agencies with whom HFCL and HSSS have joined hands are HelpAge India, Wockhardt Foundation, Extramarks Education Foundation, Saint Hardyal Educational and Orphan Welfare Society (SHEOWS), TEYUP Samaj Acharya Tulsi Diagnostic Centre, Shrimad Rajchandra Sarvamangal Trust etc.

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

HFCL has put in place a monitoring mechanism for its various CSR activities. HelpAge India/ Wockhardt Foundation has recruited a Social Protection Officer with each of the five SMMU/MMUs to mobilise greater participation of the targeted communities. In digital learning initiative, the Company monitors the development through frequent interactions with the principal and also surprise visits of schools. The HFCL/HSSS has been doing regular field visits and obtains progress reports from the implementing agencies on frequent intervals. The HFCL/HSSS also regularly interacts with the beneficiaries and other stakeholders.

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

Necessary particulars in connection with contribution towards CSR activities are provided in the "Report on CSR activities" forming part of this Annual Report, hence not repeated for the sake of brevity.

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

The effectiveness of CSR Projects of the Company are regularly reviewed and monitored.

Based on experience and on-the-ground learning from CSR programmes, we plan to devise specific ways for enhancing participation and adoption towards the target communities.

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

Cognizant of the powerful role that telecommunication plays in unlocking the latent socio-economic potential of any society, HFCL serve all its customers with best in class products and/or services with complete transparency, dependability and responsibility.

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

The Company does not have any customer complaints or consumer cases pending as at March 31, 2018.

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

The Company's products are not meant for direct consumption by the retail consumers. The Company does not display product information over and above those mandated.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on the end of financial year. If so, provide details thereof, in about 50 words or so.**

There is no case filed/pending against the Company regarding unfair trade practices, irresponsible advertising or anti-competitive behavior as on March 31, 2018.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

No. The Company's business is of B2B nature and hence does not entail any retail consumer interface. However, the Company seeks structured feedback from its customers from time to time.