

	Global Compact Asia Lotus Holdings Pvt. Ltd Nepal
Company Phone: 977-1-5000071 977-1-5000273 e-mail: info@lotusholdings.com URL: www.lotusholdings.com	Exemplary practice from Nepal
From the CEO's Desk	<p>Considering 2012-2013 as a year of special challenges, business fraternities witnessed a glimmer of hope following the second successful Constituent Assembly election in November, 2013. For economic growth to pick up, following the 18 month hiatus from the end of the first assembly, businesses are still awaiting for the timely adoption of a full budget and political stability.</p> <p>Despite a rather stagnant economic situation in the country, Lotus Holdings have been able to continue to drive important long-term issues. Last year, we have strengthened our investment offering: building business that is durable; extended our leadership in the field of technology that creates value for shareholders and by acting responsibly in the interests of the wider communities in which we operate; and continued to improve the quality of services we provide to our partners in adherence to the principles of UN Global Compact. We firmly believe these principles will propel businesses to achieve sustainable success, create an appetite for change and a commitment to constant renewal in all that they do.</p> <p>Ajit Bikram Shah CEO</p>
Company Name	Lotus Holdings Pvt. Ltd
Reporting Period	FY 2006/2007 FY 2007/2008 FY 2008/2009 FY 2009/2010 FY 2010/2011 FY 2011/2012 FY 2012/2013 FY 2013/2014
About the Company	Lotus Holdings (LH) is a venture capital enterprise looking toward business growth through mobilization of both domestic and foreign investments. It adheres to the principle of social justice. Lotus Holdings started in 1998 as an investment company identifying entrepreneurs having difficulty and providing them support services in the form of finances, marketing, R&D and administration. This it does by providing or facilitating access to funds for the purpose of business start-up, growth or expansion.

	<p>Vision: Creation of successful business enterprises which would generate employment. It will work toward overall development of individuals directly or indirectly working with associated companies.</p> <p>Mission:</p> <ol style="list-style-type: none"> 1. Identification of new business ventures. 2. Promotion of entrepreneurial ventures and aim for success, stressing on quality and business ethics. 3. Help LH associated companies achieve self-sustainability and growth. 4. Foster the spirit of corporate social responsibility (CSR) among LH associated companies and the business community at large and set up institutions working for welfare and overall development in social, educational and health. 5. Provide better employment opportunities and environment to semi-skilled and skilled manpower and work toward upgrading their skill. 6. Integration of underprivileged, particularly women and children, with new venture and to ensure economic benefits reach all participants in a just manner.
<p>Participating Companies within Lotus Holdings</p>	<ol style="list-style-type: none"> A) Business Process Outsourcing <ol style="list-style-type: none"> 1. Flextecs Nepal: Profit Recovery Solutions B) Finance <ol style="list-style-type: none"> 1. Prudential Finance: Class 'C' Financial Institution C) Healthcare <ol style="list-style-type: none"> 1. CTL Pharmaceuticals: Pharmaceuticals Manufacturing 2. Blue Cross Hospital: Full Fledged General Hospital D) Information Technology <ol style="list-style-type: none"> 1. M. Nepal!: Mobile Commerce Aggregator 2. Jawalakhel Cable Network: Cable TV Distributor 3. Everest Net: Internet Service Provider 4. Fiber Online: Cable Internet Service Provider 5. FOCUSONE Nepal: Software Development, Mobile Technology, 6. FOCUSONE Payment Solutions: Mobile Payment Solutions E) Hospitality <ol style="list-style-type: none"> 1. Himalayan Hideaway: Hotel & Tented Adventure Camp F) Manufacturing <ol style="list-style-type: none"> 1. Formation of Carpets: Handmade Export Carpet Production G) Philanthropy <ol style="list-style-type: none"> 1. Hoste Hainse: NGO/NPO that works in the field of education Services H) Real Estate <ol style="list-style-type: none"> 1. Lotus Real Estate: Buying, Selling and Leasing of Real Estate

	<p>I) Services</p> <ol style="list-style-type: none"> 1. Solutions Consultant: Business Consulting <p>J) Trading</p> <ol style="list-style-type: none"> 1. Bromed: Pharmaceuticals Trading
Chronological (Highlights)	<p>1987 - Mushroom Business 1989 - Carpet Business 1990 - Social NGO Initiated 1991 – Trading: Local and International 1992 – Pharmaceutical Manufacturing & Trading 1993 - Healthcare 1994 - Real Estate Development, Leasing 1997 - Minnesota Advocates for Human Rights awarded with the Global Human Rights Award 1998 - Carpet Company got Best CSR Company in Nepal 1999 - Information Technology. Pashmina, Paper 2001 - First Business Incubation Center of Nepal 2002 - Business Consultancy 2003 – UN-ITC Showcase for success stories 2006 - Recognition from Global Compact as CSR Best Practice 2007 - Chairperson won Himani Trust Award for Social Enterprise 2008 - Healthcare Diagnostic 2010 - Financial Institution 2012 - Agent of Change Award</p>
Project Duration	From 1987
Background/Abstract	<p>Lotus Holdings was founded in 1996 by Mrs. Sulo Shrestha Shah, a Nepali woman entrepreneur. At inception, LH's aim was to provide incubation and support to its sister companies to promote responsible and ethical business practices. LH ensures outstanding quality of the products and services of its sister companies while ensuring sound working environment for all its employees.</p> <p>Realizing the immense opportunity in the fast growing sector, LH has brought forward venture investment. LH believes this form of investment in small scale industries would be beneficial for entrepreneurial development. The basic modality is to create an investment fund from interested shareholders. LH will ensure proper management of the investments through well defined reporting and consultative meeting structures.</p> <p>Core Values</p> <ol style="list-style-type: none"> 1. Capacity Building 2. Institutionalization of companies 3. Professionalism 4. Transparency 5. Social accountability 6. Information dissemination
Initiative	Lotus Holdings (LH) with a diversified investment portfolio is also an incubation specialist. LH is involved with entrepreneurs/ producers who

	<p>have difficulty in their area of business and has inclination towards the concept of CSR. It is the philosophy of LH to be the backstopping instrument to such people/organizations by helping them in their revival and restructuring, or opening new companies if necessary, and also providing investment where required. Lotus Holdings looks forward to maintain its growth strategy to accelerate its current development rate.</p> <p>Reporting System: A quarterly monitoring involves inspection of workplace and interaction with employees.</p> <p>Health Insurance: All LH staff are insured with up to NRs. 50,000 per year for Out Patient Services; NRs. 10,000 per year for medicine services and NRs. 100,000 per year for hospitalization service.</p> <p>Hygienic Canteen: A subsidized canteen at company premises provides healthy food and drinks.</p> <ul style="list-style-type: none"> • Provident Fund for permanent employees. • 10 per cent of company's net profit goes to employees as bonus. • Allowance for Dashain, Nepal's biggest festival. • Flexible leave facility on par with Nepal's Labour Act. • Maintained salary structure as per staff's qualification and dedication. • Provided consultancy service to Hoste Hainse, NGO working to eliminate child labour through education.
Challenges	<p>The instability of the government and the failure to draft the new constitution after the end of the monarchy has been causing a general slowdown in Nepal's economy. The challenge is increased by the ever growing double digit inflation and the global economic crisis that has significantly decreased export sales throughout the country. With such problems, increase in CSR activities have been limited, but Lotus Holdings has not decreased its ongoing CSR activities to cut costs.</p>
Impacts and Benefits	<p>Due to the initiatives undertaken by the organization, it is now a more responsible organization geared towards not only raising its productivity but also contributing to the society through local Corporate Social Responsibility (CSR) initiatives. Staff morale has heightened and the company's productivity has increased. The image of the company, a leader in adopting CSR in the country, has improved noticeably.</p>
Future Plan	<p>The organization will continue to raise awareness, enhance skills and knowledge of its employees. Our previous strategy to establish an investment fund has been realized. Lotus Holdings is now even aggressively looking for opportunities to explore into new sectors to invest.</p> <p>Pursuing a dream of a self-reliant, socially and economically developed society, Lotus Holdings believes in business with ethics. This has been the driving force behind the company and as it continues to grow into this millennium, it will remain in the business of helping people achieve these dreams.</p>