

	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>Fifteen months after the disastrous earthquake that hit Nepal, reconstruction is yet to be completed. The government relief effort to spend the USD 4.5 Billion that has come in as special aid to help the aftermath of the catastrophe has still not started.</p> <p>We are doing what we can, and we have urged everyone to do what one can. Lotus Holdings donated, raised capital, and resources to mainly reconstruct damaged schools that we are responsible for. We are happy to say that all of the 2000+ children that we support are back to school in full swing.</p> <p>As an effort to boost income of the local, Lotus Holdings has also started initiatives to set up a "carpet village" in Sindupalchowk, Nepal – a location most affected by the quake north-east of Kathmandu. The idea of this program is to setup a center to produce and sell raw materials to the carpet companies owned and run by Lotus Holdings.</p> <p>We realize that efforts like these are rather miniscule when looked at in an individual level, but if the business community can collaborate the run programs like this that is complementing their core business – I believe we can collectively solve or mitigate many problems our society at large faces. Small drops of water make an ocean!</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 FY 2014/2015 FY 2015/2016 FY 2016/2017
About the Company	Lotus Holdings (LH) is a venture capital enterprise looking toward

	<p>business growth through mobilization of both domestic and foreign investments. Although profit making, LH adheres to the principle of social justice.</p> <p>LH started in 1996 as an investment company identifying entrepreneurs having difficulty and providing them support services in the form of finances, marketing, R&D and administration.</p> <p>LH provides / facilitates access to funds for the purpose of business start-up, growth in the various stages of business.</p> <p>Vision: Creation of successful business enterprises that would generate employment and work towards 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.
Participating Companies within Lotus Holdings	<p>A) Business Process Outsourcing</p> <ol style="list-style-type: none"> 1. Flextecs Nepal: Profit Recovery Solutions <p>B) Finance</p> <ol style="list-style-type: none"> 1. MNB Bank: Class 'A' Financial Institution <p>C) Healthcare</p> <ol style="list-style-type: none"> 1. CTL Pharmaceuticals: Pharmaceuticals Manufacturing 2. Blue Cross Hospital: Full Fledged General Hospital <p>D) Information Technology</p> <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 <p>E) Hospitality</p> <ol style="list-style-type: none"> 1. Himalayan Hideaway: Hotel & Tented Adventure Camp <p>F) Manufacturing</p>

	<p>1. Formation of Carpets: Handmade Export Carpet Production</p> <p>G) Philanthropy</p> <p>1. Hoste Hainse: NGO/NPO that works in the field of education Services</p> <p>H) Real Estate</p> <p>1. Lotus Real Estate: Buying, Selling and Leasing of Real Estate</p> <p>I) Services</p> <p>1. Solutions Consultant: Business Consulting</p> <p>J) Trading</p> <p>1. Bromed: Pharmaceuticals Trading</p>
Chronological (Highlights)	<p>1987 - Mushroom Business</p> <p>1989 - Carpet Business</p> <p>1990 - Social NGO Initiated</p> <p>1991 – Trading: Local and International</p> <p>1992 – Pharmaceutical Manufacturing & Trading</p> <p>1993 - Healthcare</p> <p>1994 - Real Estate Development, Leasing</p> <p>1997 - Minnesota Advocates for Human Rights awarded with the Global Human Rights Award</p> <p>1998 - Carpet Company got Best CSR Company in Nepal</p> <p>1999 - Information Technology. Pashmina, Paper</p> <p>2001 - First Business Incubation Center of Nepal</p> <p>2002 - Business Consultancy</p> <p>2003 – UN-ITC Showcase for success stories</p> <p>2006 - Recognition from Global Compact as CSR Best Practice</p> <p>2007 - Chairperson won Himani Trust Award for Social Enterprise</p> <p>2008 - Healthcare Diagnostic</p> <p>2010 - Financial Institution</p> <p>2012 - Agent of Change Award</p> <p>2016 – Social Enterprise Initiative – Carpet Village in Sindupalchowk</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>

	Core Values <ol style="list-style-type: none"> 1. Capacity Building 2. Institutionalization of companies 3. Professionalism 4. Transparency 5. Social accountability 6. Information dissemination
Initiative	<p>Lotus Holdings (LH) with a diversified investment portfolio is also an incubation specialist. LH is involved with entrepreneurs/ producers who 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> <p>The recent earthquake in Nepal has brought about fresh challenges in the country. LH with it's associate companies carried over various relief mission in various parts of the country and now through its philanthropic wing has pledge support in building schools that got damaged in the quake.</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</p>

	<p>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>