

	<b>Global Compact Asia</b> Nepal Lotus Holdings Pvt. Ltd
CompanyPhone: 977-1-5000071 977-1-5000273  e-mail: <a href="mailto:info@lotusholdings.com">info@lotusholdings.com</a>  URL: <a href="http://www.lotusholdings.com">www.lotusholdings.com</a>	Exemplary practice from Nepal
From the CEO's Desk	<p>The 24th of March marked a sudden, seismic change to our lifestyles—the abrupt narrowing of our horizons and a stunning silence that engulfed the otherwise bustling streets of Kathmandu. With businesses grinding to a halt and global stock markets in freefall, the pandemic and resulting lockdown has only exposed the gradation of social and economic inequality. Everything about the Coronavirus in Nepal—whether it is access to testing or access to immediate relief—has laid barren the socioeconomic realities that we often choose to overlook.</p> <p>An issue that grabbed national interest and paved way for formidable discourse was the plight of migrant workers across our porous border. Millions of workers from Gulf countries, India and Southeast Asia have come back to their villages with great hardship. They, together with their families, face a tumultuous and uncertain future with looming job and food insecurity. The inevitable global recession followed by distorted supply chains will only add on to this precarious situation.</p> <p>Incessant and heavy rainfall over the past couple of weeks has only exacerbated the situation for those already in the fringes of our society. According to the National Disaster Risk Reduction and Management Authority, more than 132 people have lost their lives and 998 families have been either effectively displaced or directly impacted as a result of monsoon induced landslides and flash floods. Government authorities claim to be rescuing and distributing relief but unfortunately, the gap between policy and ground reality is so wide that the most vulnerable people and communities often fall in between the cracks.</p> <p>These social, economic and environmental impacts have been harsh and have severely exacerbated old risks and highlighted new ones. Now more than ever, we are in need of competent leadership that listens to science and reason rather than unwarranted nationalism and populist agenda.</p> <p>As this strange summer of arrested development slowly comes to an end, we must continue to be mindful and vigilant of the problems that we faced over the last couple of months. Needless to say, these are frightening times; but unless we take swift action and address the root of these disparities, people will continue to suffer and that is unacceptable. When the cost of gross mismanagement is actual human lives, we must to look within and mend the acute fractures in our society.</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 FY 2017/2018 FY 2018 /2019 FY 2019 /2020 FY 2020 /2021
About the Company	<p>Lotus Holdings (LH) is a venture capital enterprise looking toward 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&amp;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><b>Vision:</b> 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><b>Mission:</b></p> <ol style="list-style-type: none"> <li>1. Identification of new business ventures.</li> <li>2. Promotion of entrepreneurial ventures and aim for success, stressing on quality and business ethics.</li> <li>3. Help LH associated companies achieve self-sustainability and growth.</li> <li>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.</li> <li>5. Provide better employment opportunities and environment to semi-skilled and skilled manpower and work toward upgrading their skill.</li> <li>6. Integration of underprivileged, particularly women and children, with new venture and to ensure economic benefits reach all participants in a just manner.</li> </ol>
Participating Companies within Lotus Holdings	<p>A. Business Process Outsourcing</p> <ol style="list-style-type: none"> <li>1. Flextecs Nepal: Profit Recovery Solutions</li> </ol> <p>B. Healthcare</p> <ol style="list-style-type: none"> <li>1. CTL Pharmaceuticals: Pharmaceuticals Manufacturing</li> <li>2. Blue Cross Hospital: Full Fledged General Hospital</li> </ol>

	<p>C. Information Technology</p> <ol style="list-style-type: none"> <li>1. Jawalakhel Cable Network: Cable TV Distributor</li> <li>2. FOCUSONE Nepal: Software Development, Mobile Technology,</li> <li>3. FOCUSONE Payment Solutions: Mobile Payment Solutions</li> </ol> <p>D. Manufacturing</p> <ol style="list-style-type: none"> <li>1. Formation of Carpets: Handmade Export Carpet Production</li> </ol> <p>E. Philanthropy</p> <ol style="list-style-type: none"> <li>1. Hoste Hainse: NGO/NPO that works in the field of education Services</li> </ol> <p>F. Real Estate</p> <ol style="list-style-type: none"> <li>1. Lotus Real Estate: Buying, Selling and Leasing of Real Estate</li> </ol> <p>G. Services</p> <ol style="list-style-type: none"> <li>1. Solutions Consultant: Business Consulting</li> </ol> <p>H. Trading</p> <ol style="list-style-type: none"> <li>1. Bromed: Pharmaceuticals Trading</li> </ol>
Chronological (Highlights)	<p>1987 - Mushroom Business 1989 - Carpet Business 1990 - Social NGO Initiated</p> <p>1991 – Trading: Local and International</p> <p>1992 – Pharmaceutical Manufacturing &amp; Trading 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 1999 - Information Technology. Pashmina, Paper</p> <p>2001 - First Business Incubation Center of Nepal 2002 - Business Consultancy</p> <p>2003 – UN-ITC Showcase for success stories</p> <p>2006 - Recognition from Global Compact as CSR Best Practice 2007 - Chairperson Won Himani Trust Award for Social Enterprise 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</p>

	<p>management of the investments through well-defined reporting and consultative meeting structures.</p> <p><b>Core Values</b></p> <ol style="list-style-type: none"> <li>1.Capacity Building</li> <li>2.Institutionalization of companies</li> <li>3.Professionalism</li> <li>4.Transparency</li> <li>5.Social accountability</li> <li>6. Information dissemination</li> </ol>
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><b>Reporting System:</b> A quarterly monitoring involves inspection of workplace and interaction with employees.</p> <p><b>Health Insurance:</b> 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><b>Hygienic Canteen:</b> A subsidized canteen at company premises provides healthy food and drinks.</p> <ul style="list-style-type: none"> <li>• Provident Fund for permanent employees.</li> <li>• 10 per cent of company's net profit goes to employees as bonus.</li> <li>• Allowance for Dashain, Nepal's biggest festival.</li> <li>• Flexible leave facility on par with Nepal's Labour Act.</li> <li>• Maintained salary structure as per staff's qualification and dedication.</li> <li>• Provided consultancy service to Hoste Hainse, NGO working to eliminate child labour through education.</li> </ul>
Challenges	<p>The ruling government in the last 25 years has never been as strong as it is today. With such power, it is important to realize that the responsibilities are even greater.</p> <p>Lotus Holdings in our engagement with the government has been carefully looking at the sectors it is involved in, and as an accountable member of the community at large, it has been working as a whistleblower for situations that may need attention from the right stakeholders.</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>