

Business Responsibility Reporting

Section A: General Information about Company

1	Corporate Identity Number	L40101MH1995PLC084687
2	Name of the Company	Reliance Power Limited
3	Registered address	H Block, 1 st floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
4	Website	www.reliancepower.co.in
5	E-mail	reliancepower.investors@ relianceada.com
6	Financial Year Reported	2013-14
7	Sectors engaged in	Code 51 - Electric power generation Code 351 - Mining of hard coal Code 0620 - CBM Blocks.
8	Key products / services company manufactures	Electricity generation and development of CBM blocks.
9	Number of locations where business is undertaken	
	i. International locations	01
	ii. National locations	10
10	Markets served by the company	Several States in India.

Section B: Financial Details of the Company (₹ in Crores)

1	Paid-up Capital	2,805 (On Standalone basis)
2	Total Turnover	5,174 (Consolidated)
3	Total profit after taxes	1,027 (Consolidated)
4	Total Spending on CSR as % profit after tax	0.77%.
5	List of activities in which CSR expenses incurred	Refer to Section E of Report.

Section C: Other Details

1	Details on subsidiary companies	40 Subsidiary Companies (both direct and step-down) as on March 31, 2014.
2	Participation of subsidiary companies in the BR initiatives of the parent company	The subsidiary companies constituted as Special Purpose Vehicle (SPVs) have been set up for execution of specific projects. These SPVs are involved in BR initiatives at the respective project locations. This is appropriate as the projects are being developed by them as subsidiaries of the Company. Subsidiaries participating in BR initiatives include : Rosa Power Supply Company Limited, Sasan Power Limited, Vidarbha Industries Power Limited, Samalkot Power Limited.

3	Participation of other entities (suppliers, contractors, etc.) in the BR initiatives of the Company	Reliance Power actively encourages other entities such as suppliers, contractors to participate in the Company's BR initiatives.
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Section D: BR Information

1. Details of Director / Directors responsible for BR

1	a.	Details of director responsible for implementation of BR policies - Director Identification Number - DIN	Since BR and CSR are seen as critical components of the larger society, BR functions are, <i>inter alia</i> , monitored by the CSR Committee of the Board on a consolidated basis. The CSR Committee as a whole is responsible for BR Dr. Yogendra Narain, an Independent Director is the Chairman of the CSR Committee. The other members of the Committee are / were: a) Shri. J. L. Bajaj, Independent Director (DIN - 00004652) (up to August 13, 2014) b) Dr. V. K. Chaturvedi, Non-Executive and Non-Independent Director (DIN - 01802454) c) Shri D. J. Kakalia, Independent Director (DIN -00029159) (effective from September 13, 2013) d) Shri Sateesh Seth, Non-Executive and Non-Independent Director (DIN -00004631) (effective from July 18, 2014)
	b.	Details of BR Head	The Board has not assigned the responsibilities specifically to any Director to act as BR head. Currently the Committee is under the Chairmanship of Dr. Yogendra Narain. Details of Dr. Narain are as follows:
		DIN	01871111
		Name	Dr. Yogendra Narain
		Designation	Independent Director
		Telephone	022-3032 7648
		Email ID	yognarain@gmail.com

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2. Principle-wise BR policy - As per National Voluntary Guidelines

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
1. Do you have a policy / policies for	Y	Y	Y	Y	-	Y	-	Y	Y	
2. Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	-	-	Y	-	-	-	
3. Does the policy conform to any national /international standards? If yes, specify?	-	-	Y	-	-	Y	-	-	-	
4. Has the policy being approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	-	Y	Y	-	Y	-	Y	Y	
5. Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of policy?	Y	-	Y	Y	-	Y	Y	Y	Y	
6. Indicate the link for the policy to be viewed online?	N.A.									
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders. The communication is an on-going process and is intended to cover all internal and external stakeholders.									
8. Does the Company have in-house structure to implement the policy/policies?	Yes.									
9. Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	As on date, the Board has set up a Committee named Stakeholders' Relationship Committee only to address the grievances of the stakeholders, debenture holders and other persons holding securities in the Company as required under law. The mechanism will be gradually extended to cover other stakeholders.									
10. Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No. Independent evaluation has been done. However the CSR interventions, in particular, are reviewed and evaluated by the Board Committee as stated above.									

3. Governance related to BR

While the senior management of the Company reviews BR performance on an on-going basis, reviews by the Board / Committees are made on a quarterly basis. The Company prepares Business Responsibility Report on a consolidated basis covering the activities of its subsidiaries also annually and the same can be viewed on the website of the Company.

Section E: Principle-wise performance

1. Ethics, Transparency and Accountability

Matters of accountability, transparency and ethical conduct are an integral part of the Company's value system. The corporate governance principles of the Company are, *inter alia*, anchored on these three above principles. To foster these essential principles, a set of inter-woven policies and guidelines are put in place. While adhering to principles laid down in the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business, these policies and guidelines bring within its ambit, not only the employees, but also the other stakeholders including the directors of Reliance Power.

Code of Ethics, which has been made applicable to both the Senior employees and directors since the year 2008, is periodically reviewed by Audit Committee of the Board. Conformity to Code of Ethics is mandatory for all internal stakeholders and it is intended to extend to uncovered

stakeholders during the course of time. Reliance Power has in place a Whistle Blower Policy for quite some years and the same is being realigned in line with the Vigil Mechanism requirements as contemplated under the Companies Act, 2013 and the revised requirements of Clause 49 in the listing agreement relating to corporate Governance. While ensuring transparency, the policy empowers stakeholders to report / express concerns through electronic submissions to the appropriate authority. During the course of last financial year, no complaints were received from any of its stakeholders under the Company's vigil mechanism system. To ensure accountability and adherence to various legislations, a compliance monitoring team has been constituted in the last financial year. More than 250 employees, at various hierarchical levels, are made participants in the compliance monitoring system. This system ensures timely discharge of responsibility as regards legal compliance on various matters and disclosures.

2. Designed services to address environmental / social concerns

Reliance Power is committed towards sustainable economic development and plays a key-role in addressing the challenges facing the environment. We approach these challenges in a holistic manner by pursuing innovative approaches and adopting the global best practices. Continued efforts to address the environmental concerns are clearly visible *inter alia*, in the selection of state-of-the-art power generation technologies for implementation of the projects. Use of higher efficiency power generation

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technologies, lesser emission intensive fuels and ultra-modern technologies make evident our sustainable commitment. These sustained efforts have enabled Reliance Power to emerge as one of the world's largest Carbon Di-oxide offset project developer. Our contribution to the development of sustainable India is evident from the fact we help India to achieve reduction in greenhouse gas emission by as much as 1%.

Steps to conserve natural resources are an integral part of Company's growth strategy. As best-in-class technology is used for setting up our plants and mining of coal, our operations are designed to reduce the consumption of natural resources, specifically the land, auxiliary electricity, fuel and water. Reduction in consumption of natural resources will be demonstrated in due course.

Reliance Power recognizes the critical need for inclusive growth. The locations of our power plants and coal mine are in economically backward regions of India. Proactive engagement with the local community is maintained. Various capacity building programmes, in education, healthcare, livelihood development and infrastructure, have been implemented / are under implementation with the active participation of the local communities. Dedicated resources have been put in place to determine the efficacy of each capacity building programme.

Well-being of employees

Reliance Power has been building up its human resources base for implementation of its large power capacity addition program. Various teams have been constituted in Mumbai and at other project locations. A well thought-out human resources strategy, comprising of senior and experienced professionals leading the implementation / operations as project leaders and functional heads, is adopted and location specific teams have been constituted to meet the requirements.

Recognizing the need to develop large-scale high quality pool of resources, Reliance Power has a leadership development programme which is institutionalized throughout Reliance Power, including in its subsidiaries. The Programme recognizes high potential talent on a periodic basis and undertakes necessary interventions to help them take on greater responsibilities and roles. Similarly keeping in mind the requirement of entry-level resources, a unique Graduate Engineer Trainee program has been established under which graduate engineers are recruited and trained. These graduate engineers are recruited, through a nation-wide entrance competition offering opportunities to meritorious candidates across the Country. Simulators are installed at project locations where operational training is provided to selected candidates. A system of high-performance culture is inculcated through-out Reliance Power. Employees are evaluated on the basis of quantitative and qualitative parameters in a fair and transparent manner.

In line with our growth plans, the Company's total number of employees, excluding the temporary / contractual / casual basis employees increased from 1,529 in 2012-13 to 1,824 in 2013-14. For the corresponding period, total number of employees on temporary / contractual / casual basis increased from 2,337 to 3,360. The total

number of permanent woman employees marginally fell from 111 to 102 between financial years 2012-13 and 2013-14. Count of permanent differently-abled employees remained the same, between financial years 2012-13 and 2013-14. Reliance Power attaches utmost importance to skill upgradation to meet future requirements giving employees an advantage for professional development. Skill upgradation exercises are undertaken, in various areas, to ensure employees are trained on all recent technological developments. Nearly 90% of our employees, including permanent, permanent woman and casual / temporary / contractual employees at the Corporate office are provided training in skill upgrading. Likewise, nearly all employees, located at various projects, are provided training in functional, system development and soft-skills areas. During the last financial year alone, more than 180,000 man-hours of training was provided to employees.

To ensure employee safety, external and internal safety audits are periodically conducted. Similarly, compliance audits are conducted, on monthly basis, to ensure that aspects relating to safety are regularly monitored.

There are no employee associations that are recognized by the Management. Strong deterring policies on recruitment against child labour / forced labour / involuntary labour and discrimination in any manner are made part of employment process. Similarly, Reliance Power has zero tolerance on sexual harassment. During the course of the financial year, no complaints have been registered in any of the above areas.

Responsiveness to Stakeholders

Based on guidance provided in Global Reporting Initiatives (G4), Reliance Power has identified both internal and external stakeholders. While the internal stakeholders include employees, investors and shareholders, suppliers and lenders; external stakeholders include other entities or individuals that are reasonably affected by the organization's activities such as central and state governments, regulatory authorities, customers, local communities and others.

Reliance Power engages with stakeholders on multiple channels of communication both formally and informally. Reliance Power and its subsidiaries have developed internal systems and procedures to identify, prioritize and address needs and concerns of stakeholders at various levels. Likewise, various departments have been entrusted with responsibility of interacting and engaging with stakeholders.

Respect and Promotion of Human Rights

It is widely believed that Governments have a duty to protect human rights. Policies of Reliance Power cover the human rights aspects of its employees and other resources associated with matters relating to the construction / operation of the power plants. No complaints have been received in the past financial year on human rights.

Respect, Protect and to make Efforts to Restore Environment

Reliance Power understands its obligation towards the environment. Our Subsidiaries which are engaged in electricity generation and coal mining are aware of the environmental risks associated with the implementation

of the projects and environmental obligations imposed thereof. The strong Operations teams set up ensure that the facilities conform to the norms set by various nodal agencies.

Considering the serious consequences of global warming, technologies opted for the power generation, are more efficient and technologically superior than the power plants commissioned in India. For e.g., super-critical technology used by Sasan Power Limited, is superior to the subcritical technology used for commissioning power plants in India. Similarly, gas based generation projects are approximately 40% less emission intensive than the coal based power plants predominantly operating in India. In addition to the hydro-power technology, technologies opted for commissioning of renewable power plants (45 MW wind power plant commissioned by Reliance Power in Maharashtra, 40 MW solar photo-voltaic plant commissioned by Dhursar Power in Rajasthan and the 100 MW concentrated solar power project in advanced stage in Rajasthan) are state-of-the-art.

There are no unresolved show-cause / legal notices which have been received from either the Central Pollution Control Board or the State Pollution Control Boards.

With the exception of Rosa Power Supply Company Limited, all the projects implemented / under commissioning, have achieved the distinction of being environmental friendly / Greenhouse gas abating by the Clean Development Mechanism, a market based mechanism introduced under Kyoto Protocol, adopted through United Nations Framework Convention on Climate Change (UNFCCC). UNFCCC Reference numbers of the projects are 3690, 4533, 4629, 7103, 9225 and 9293. These efforts would cumulatively reduce 150 million tons of Carbon Di-oxide emissions during the life-time

Influencing public and regulatory policy in a responsible manner

Reliance Power is a member of Association of Power Producers (APP), Arunachal Pradesh Power Producers Association (APPPA), Independent Gas Based Power Producers Association (IGBPPA), Andhra Pradesh apart from being a member of Chambers of Commerce and Industry. We have, through APP, APPPA and IGBPPA, represented to Governments (both central and state) for the development of an efficient electricity sector. Objective of these representations is to introduce reforms aimed at providing sustainable power for all on a 24 × 7 basis.

Support Inclusive Growth and Equitable Development

Company's Corporate Social Responsibility (CSR) Policy as adopted aims to achieve equitable development. Since locations of the projects are in economically and socially backward locations of India, it is a constant endeavour to include the local community as a critical stakeholder in the inclusive measures initiated by the Company. The Company's efforts, mentioned in the programmes specified under principle (2) above are implemented through delivery mechanisms comprising of employees, local bodies, non-governmental organizations, not-for-profit entities and government Institutions to mention a few.

Since fly-ash is generated as a by-product in some of the plants, its use as a raw-material is encouraged in cement manufacturing, brick and tile manufacturing, road embankment, etc.

Education

Various schemes have been introduced to promote education in local community, including construction / renovating of existing educational infrastructure, free distribution of uniforms / study material / transportation facility and, offering financial incentives where the drop-outs have been observed to be high.

Healthcare

Similarly, medical health centres and mobile medical units have been put in place through-out the year for improving the health care conditions of the local population which lives in the vicinity of the Project locations.

Infrastructure

So far houses have been provided with solar / off-grid electricity generation systems in all the 11 villages surrounding the Rosa Power Plant benefitting over thousand families.

Livelihood development

Programmes implemented through women self-help groups (vocational training in sewing, food products, poultry, etc.) have improved livelihood standards of several hundred families in the neighbouring villages. Also, animal husbandry programmes initiated since the last two years, have improved the productivity by benefitting several hundred families in the nearby villages.

While respecting the needs of the marginalized sections of society, specifically the senior citizens and widowed women, pension schemes have been implemented in Rosa and Sasan Power Plants.

Community Development expenditure incurred by the Company and its Subsidiaries on various projects amounted to ₹ 8.58 Crores in the financial year 2013-14.

Provide value to customers and consumers

The main business activities of the Company and its Subsidiaries is generation and supply of electricity to distribution companies (discoms) and mining of coal for generation of electricity. Main consumers are the discoms with whom the power purchase agreements have been entered into. As the nature of electricity tariff determination is made under stringent sectoral regulations, tremendous value is offered to all our consumers.

No complaints were received / pending, from any of our consumers, as on March 31, 2014. Similarly no cases, as regards unfair trade practices, irresponsible advertising and / or anti-competitive behavior have been filed / pending in the five years.