

**RELIANCE**

Capital

## **Business Responsibility Report-2015**

### SECTION A - General Information about the Company

1. **Corporate Identity Number (CIN) of the Company** : L65910MH1986PLC165645
2. **Name of the Company** : Reliance Capital Limited
3. **Registered address** : H Block, 1<sup>st</sup> Floor,  
Dhirubhai Ambani Knowledge City,  
Navi Mumbai  
400 710
4. **Website** : www.reliancecapital.co.in
5. **E-mail id** : rcl.investor@relianceada.com
6. **Financial Year reported** : 2014-15

7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**

Reliance Capital, a part of the Reliance Group, is one of India's leading private sector financial services companies. It ranks amongst the top private sector financial services and banking groups, in terms of net worth. The Company is a constituent of CNX Nifty Junior and MSCI Global Small Cap Index.

Reliance Capital has interests in asset management and mutual funds; life and general insurance; commercial finance; equities and commodities broking; wealth management services; distribution of financial products; asset reconstruction; proprietary investments and other activities in financial services.

<b>Services Code No.</b>	<b>Description</b>
5202	Non-banking financial services

(As per notification no.52/2/CAB-2012 issued by Ministry of Corporate Affairs.)

8. **List three key products / services that the Company manufactures / provides (as in balance sheet)**

Asset Management, Commercial & Home Finance, Life & General Insurance, Securities Broking, Wealth Management Services and Distribution of Financial Products.

9. **Total number of locations where business activity is undertaken by the Company**

- i. Number of International Locations: Singapore and Mauritius.
- ii. Number of National Locations: Reliance Capital conducts its operations through a network of over 6,000 physical touch points, including owned branches as well as franchisees.

10. **Markets served by the Company**

Reliance Capital serves the Indian markets, along with the international customers through its above mentioned international offices.

## SECTION B - Financial Details of the Company

1. **Paid up Capital (INR)** : 253 crore
2. **Total Turnover (INR)** : 8,861 crore
3. **Total profit after taxes (INR)** : 1,001 crore
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)** : 2%
  
5. **List of activities in which expenditure in 4 above has been incurred:-**
  - a. Supporting Kokilaben Dhirubhai Ambani Hospital, which continues to provide quality healthcare, especially those below the poverty line.
  - b. Made a contribution of Rs. 11.78 crore through a non-profit centre engaged in the provision of health care. The funds are being utilised towards their rural outreach initiative to provide cancer care to the communities of interior parts of Maharashtra.
  - c. Supporting the "Room to Read" initiative and has aided libraries in 164 schools in Rajasthan, Maharashtra and Madhya Pradesh.
  - d. Partnering NGOs on several initiatives such as blood, clothes and food donation, etc. We also contributed for the flood affected people of Jammu & Kashmir through basic medicines, food items and clothes

## SECTION C - Other Details

1. **Does the Company have any Subsidiary Company / Companies?**

The Company has 26 subsidiary companies as on March 31, 2015.
  
2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

Yes, CSR activities are done at group level in which subsidiaries are part of it.
  
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?**

Reliance Capital encourages its associates and partners to participate in the BR initiatives of the Company. At present, less than 30% of the other entities participate in the BR initiatives of the Company.

**SECTION D - B R Information**

**1. Details of Director/Directors responsible for BR**

a) Details of the Director / Director responsible for implementation of the BR policy/policies

DIN	Name	Designation
00007256	Dr. Bidhubhusan Samal	Independent Director

b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	01262099
2.	Name	Shri Soumen Ghosh
3.	Designation	Executive Director & Group CEO
4.	Telephone number	022 - 3047 9800
5.	e-mail id	rcl.investor@relianceada.com

**2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**

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 wellbeing of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Business 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.

## Reliance Capital Limited - Business Responsibility Report

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	-	Y	-	Y	Y	-	-	-
4	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes								
6	Indicate the link for the policy to be viewed online?	Code of conduct is available on our website – <a href="http://www.reliancecapital.co.in">www.reliancecapital.co.in</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
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?	Yes								
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes								

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- 2a. If answer to Sl. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the Principles	<b>Not Applicable</b>								
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)									

### 3. Governance related to BR

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

The Chief Executive Officer of the Company periodically reviews the BR performance of the Company.

**Does the Company publish a BR or a Sustainability Report?**

Yes, BRR is provided on the website of the Company [www.reliancecapital.co.in](http://www.reliancecapital.co.in)

**SECTION E - Principle-wise performance**

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

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?**

The Company considers Corporate Governance as an integral part of good management. The Company's policy relating to ethics, bribery and corruption is covered under Reliance Group Companies Code of Ethics and Business Policies, which are applicable to all personnel of the Company as well as to the (i) Consultants, (ii) Representatives, (iii) Suppliers, (iv) Contractors and (v) Agents dealing with the Company.

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

Stakeholder Complaints			
Complaints	No. of complaints received	No. of complaints resolved	% of complaints resolved
Shareholders Complaints	45	45	100%

**Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

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

The following products / services have been designed to incorporate social concerns as well as benefit from the available opportunities:

- i. Reliance Life Insurance: Reliance Online Term Plan
- ii. Reliance General Insurance: Rashtriya Swasthya Bima Yojna

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

With regard to the businesses of Reliance Capital, the question is not applicable to the Company.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

'Outsourcing Policy' entails the processes and procedures for outsourcing agreements. Periodic performance evaluations of these outsourced vendors are done by the management.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

With regard to the businesses of Reliance Capital, the question is not applicable to the Company.

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.**

With regard to the businesses of Reliance Capital, the question is not applicable to the Company.

### **Principle 3 Businesses should promote the well being of all employees.**

1. **Please indicate the Total number of employees.**

The total numbers of employees in the group were 18,642 on rolls as on March 31, 2015.

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

There are approximately 7,262 employees.

3. **Please indicate the Number of permanent women employees.**

There are 2,106 women employees.

4. **Please indicate the Number of permanent employees with disabilities**

There are 11 employees with disabilities.

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

No.

6. **What percentage of your permanent employees is members of this recognized employee association?**

Not Applicable.



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.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	The Company does not hire Child labour, forced labour or involuntary labour. No Complaint.	Not Applicable
2	Sexual harassment	No case reported	Not Applicable
3	Discriminatory employment	There is no discrimination in the recruitment process of the Company.	Not Applicable

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

- Permanent Employees 70%
- Permanent Women Employees 75%
- Casual/Temporary/Contractual Employees 50%
- Employees with Disabilities 60%

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

1. Has the company mapped its internal and external stakeholders?

Yes

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

Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.

- Tie-up with MediAssist for free Health Check up
- Dental camps at various locations
- Supported "Room to Read" and has aided school libraries in Rajasthan, Maharashtra and Madhya Pradesh
- Contribution of one rupee on the sale of each Insurance policy
- "Hit illiteracy for a Six" campaign

- Blood Donations camps
- Adopt a village for forestation
- Employees supported the initiatives of “Give India”
- Clothes and Meal donations
- Campaign to educate insurance customers of the mis-selling activities and improper distribution, undertaken by external entities / individuals

### **Principle 5 Businesses should respect and promote 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?**

Most of the aspects of human policy are covered in our Reliance Group Companies Code of Ethics and Business Policies. We respect human rights. All the labour related laws are based on human rights principle, which we follow consistently. We provide equal opportunity to all the sections of the society without any discrimination. We have formulated the Ombudsman Policy of the Company on human rights.

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

Please refer our response to Principle No.1.

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

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

Our companies in the group are committed to achieve the global standards of health, safety and environment. We believe in sharing process and product innovations within the group and extending its benefits to the Industry. We believe in safeguarding environment for long term. Reliance Group Companies Code of Ethics and Business Policies is applicable to all personnel of the Company as well as to the Consultants, Representatives, Suppliers, Contractors and Agents dealing with the Company.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Not Applicable

3. **Does the company identify and assess potential environmental risks?**

Not Applicable

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Not Applicable

5. **Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.**

Yes.

It has deployed a technology called Virtual Desktop Infrastructure (VDI) which uses less power compared to a desktop. Also, offices are being fitted out and maintained keeping in mind, the mission of energy conservation and environment protection. Through several initiatives, a consistent and ongoing endeavour is undertaken to reduce the overall carbon footprint.

In order to reduce the usage of paper, the Company employed ways such as converting physical contract notes to e-format. Physical copies are provided only on request, which was very rare.

6. **Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

Not Applicable

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

Not received any notice from CPCB / SPCB.

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

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, we are the members of the relevant trade & chamber or such similar associations. The major association are as follows:

- a. Indian Merchant Chamber
- b. Confederation of Indian Industry
- c. Gems & Jewellery Trade Council of India
- d. Association of Mutual Fund Industry (AMFI)
- e. Federation of Indian Chambers of Commerce and Industry (FICCI)
- f. All India Gems and Jewellery Trade Federation

- g. The Bombay Bullion Association Limited
- h. Life Insurance Council
- i. Credit Information Bureau India Limited
- j. Fixed Income Money Market & Derivatives Association of India
- k. Institute for Development and Research in Banking Technology
- l. Insurance Regulatory and Development Authority of India
- m. Japan Chamber of Commerce and Industry in India
- n. Centre for Monitoring Indian Economy

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good?**

Yes. The Company has undertaken several initiatives to impart investor education to its stakeholders in the Life Insurance and Asset Management businesses, in line with the IRDAI and AMFI guidelines, respectively. Also, the Company has advocated with the above mentioned associations for governance, administration, economic and educational reforms.

### **Principle 8: Businesses should support inclusive growth and equitable development**

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

The Company supports inclusive growth and equitable development through various training and development programmes for its employees as well as its key stakeholders.

- Tied up with Medi Assist for free Health Check up for employees who belong to the age group of 40 years and above
- Partnered with 'Room to Read' since the Year 2011. 'Room to Read' is a global organisation working towards alleviating the standard of education amongst children. 'Room to Read' works towards transforming lives of millions of children in Asia and Africa. Their focus is on literacy and gender equality in education. Since 2011, we have been meticulously working for this cause of supporting children's education through development of school libraries, book publishing, girls' education, giving reading & writing instructions. We are committed to help Room to Read with money and guidance for their activities in India. So far, we have contributed to the activities of Room to Read in the following manner:
  - In 2013 - 2014, Reliance Life decided to contribute one rupee on the sale of each Insurance policy
  - Raised Rs. 1.3 crore, through collaboration with the ICC Cricket World Cup in 2011, and established 75 school libraries for approximately 22,000 children
  - Office space was donated in Mumbai to the 'Room to Read's development Team' and 'Maharashtra Programs Team'

- 'Room to Read' libraries have been successfully set up and are operating in 164 schools in Mumbai
- Till date, we have contributed to 8 libraries across the country, benefiting 1,600 children
- Reliance Life received the “iAward” to secure the education of an under-privileged child. Reliance Life, as a sponsoring partner with Smile Foundation “In Aid of Education Programme”, has taken an initiative of sponsoring the education and nutrition of 52 underprivileged children in India
- Our employees have supported the initiatives of “Give India” through their Payroll Giving program
- Donate Blood - Gift Life! (Blood Donation Drive): Our blood donation drive was partnered by Smt. Kokilaben Dhirubhai Ambani Hospital in which our employees participated and donated over 100 units of blood
- Wellness week was planned wherein various health and wellness initiatives were taken for the employees. Employees participated in various health and wellness initiatives, which includes eye check-up, blood pressure check-up, BMI measurement, Dental check-up, and Hair & Skin Analysis.
- A customer awareness campaign against spurious calling organised by Reliance Life, targeted 8 top cities and was adapted in 4 local languages. The creative was designed to emulate a typical spurious call to make people aware of the nature and substance of such errant callers
- Partnered with growtrees.com, where a village is taken for afforestation
- Two specific outdoor campaigns were done during J&K floods and cyclone of Odisha and Andhra Pradesh. The campaigns intended to answer all Life insurance claim related queries. Outdoor campaign was launched in 9 affected locations in case of the J&K floods and, 11 affected locations in case of Odisha and Andhra Pradesh
- Contributed for the flood affected people of Jammu & Kashmir through basic medicines, food items and clothes

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

Driven by our belief that the whole is greater than the sum of its parts, all our CSR activities across the group are aligned under one umbrella: the Group CSR forum which is the helm for strategy, planning and integration of functional learning. The forum facilitates cross-functional, cross-geographical learning and brings in operational and methodological efficiency at every level within the CSR ambit across the Group companies.

The programmes were undertaken both, through in-house teams as well as in co-ordination with external NGOs.

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

On a periodic basis, we measure the direction of our initiatives and their impact. The assessment helps in focusing our efforts and achieving better results.

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

Not Applicable

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Reliance Capital, through its various social programmes and financial inclusion initiatives, is expanding its coverage to rural and semi-urban markets and providing access to financial services to customers in those markets. The products and services have made a positive impact on its targeted clientele.

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

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

With regards to our large customer base and business reach, the percentage of pending complaints is very miniscule.

**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)**

Yes. The Company complies with disclosure requirements relating to its products and services.

**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 end of financial year. If so, provide details thereof, in about 50 words or so.**

In the ordinary course of services' businesses, customers and borrowers may have disputes with the Company regarding deficiency in services or product performance, which could result in a civil suit, or a consumer complaint. Most of our businesses are linked to the capital markets and thus, prone to short-term fluctuations. The Company, regularly, engages with its customers to appropriately address their concerns; however, in some cases, legal resolutions may also be pursued.

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

IMRB has conducted surveys, focusing on customer satisfaction, across our businesses.