

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L40101DL1969GOI005095
2.	Name of the Listed Entity	REC Limited
3.	Year of incorporation	July 25, 1969
4.	Registered office address	Core 4, Scope Complex, 7, Lodhi Road, New Delhi-110003
5.	Corporate address	REC World Headquarters, Plot no. I-4, Sector 29, Gurugram-122001
6.	E-mail	complianceofficer@recl.in
7.	Telephone	+91-124-444 1300
8.	Website	www.recindia.nic.in
9.	Financial year for which reporting is being done	FY 2021-22
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited BSE Limited
11.	Paid-up capital	₹1,974.92 crore (As on March 31, 2022)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Shri V.K. Singh DIN: 02772733 Director (Technical) +91-124-444 1318 dtsectt@recl.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures are made in this report on a standalone basis.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sl. no.	Description of main activity	Description of business activity	% of turnover of the entity
1.	Financial and Insurance Service	Financial and Credit leasing activities	99.75%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. no.	Product/Service	NIC Code	% of total turnover contributed
1	Other Financial Services and Activities - Other Credit Granting	64920	99.71%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	23	23
International	-	-	-

Note: Addresses of REC offices are appearing separately in this Annual Report.

17. Markets served by the entity

a. Number of locations

Location	Number
National (No. of States)	28
International (No. of Countries)	1

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The Company is a Non-Banking Financial Company (NBFC) categorized as Infrastructure Finance Company (IFC) by the Reserve Bank of India. The contribution of exports to the turnover of the Company was Nil for the financial year 2021-22. However, REC had sanctioned a loan of ₹2,500 crore towards 4x150 MW Kholongchhu hydroelectric project in Bhutan during the year under review.

c. A brief on types of customers

REC's principal products are interest-bearing loans to State utilities, private-sector borrowers etc. The Company's business activities involve financing projects in the entire power sector value chain, be it power generation (both conventional and renewable energy), transmission, distribution, rural electrification, e-mobility, financing equipment manufacturing for power sector and activities having forward / backward linkage with power projects. The key products of the Company include long term loans, medium term loans, short terms loans etc. for the entire power sector value chain.

Customers of the Company include State Governments, Central/State power utilities, State Electricity Boards, independent power producers, rural electric cooperatives and private sector utilities etc.

IV. Employees

18. Details as at the end of financial year:

a. Employees and workers (including differently abled):

Sl. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	440	368	83.64%	72	16.29%
2.	Other than Permanent (E)	2	2	100%	-	-
3.	Total employees (D + E)	442	370	83.71%	72	16.29%
Workers						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total workers (F + G)	-	-	-	-	-

b. Differently abled Employees and workers:

Sl. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (D)	13	12	92.31%	1	7.69%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	13	12	92.31%	1	7.69%
Differently Abled Workers						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B / A)
Board of Directors	**7**	2	28.57%
Key Management Personnel	**3**	0	0.00 %

20. Turnover rate for permanent employees and workers *(Disclose trends for the past 3 years)*

	FY 2021-22			FY 2020-21			FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.25	7.0	15.25*	9.7	12	21.7*	12.79	9.75	22.54*
Permanent Workers	-	-	-	-	-	-	-	-	-

** including superannuation*



V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding/subsidiary/associate companies/joint ventures

Sl. no.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Power Finance Corporation Limited (PFC)	Holding company	PFC holds 52.63% in REC	Yes
2	REC Power Development and Consultancy Limited (RECPDCL)	Subsidiary	100%	Yes
3	Chandil Transmission Limited	Subsidiary	100%	Yes
4	Dumka Transmission Limited	Subsidiary	100%	Yes
5	Mandar Transmission Limited	Subsidiary	100%	Yes
6	Koderma Transmission Limited	Subsidiary	100%	Yes
7	Bidar Transmission Limited	Subsidiary	100%	Yes
8	Rajgarh Transmission Limited#	Subsidiary	100%	Yes
9	MP Power Transmission Package-I Limited	Subsidiary	100%	Yes
10	ER NER Transmission Limited	Subsidiary	100%	Yes
11	Energy Efficiency Services Limited	Joint Venture	15.68%	Yes

 # Was subsidiary as on March 31, 2022, subsequently transferred to GR Infraprojects Limited on May 30, 2022.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No): Yes

(ii) Turnover: ₹39,132.49 crore

(iii) Net worth: ₹50,985.60 crore

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-22			FY 2020-21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://recindia.nic.in/grievances	98	1	-	166	2	-
Investors (other than shareholders)	Yes https://recindia.nic.in/bonds-grievances	18,042	0	-	16,655	0	-
Shareholders	Yes https://recindia.nic.in/investors-contact	4,670	3	The pending cases have since been resolved	2,304	0	-
Employees and workers	Yes Available on intranet	-	-	-	-	-	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-22			FY 2020-21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes https://recindia.nic.in/uploads/files/Fair-Practices-Code.pdf	-	-	-	-	-	-
Value Chain Partners	Yes https://recindia.nic.in/independent-external-monitor-iem-for-rural-electrification-corporation-ltd	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Gradual shift from conventional power sources to renewable power sources	Opportunity	Thrust for cleaner power shall provide additional financing avenues for the corporation.	-	REC shall experience positive financial implication due to additional revenues from financing towards cleaner power.
2.	Shift to paperless environment to further the sustainability	Opportunity	Shift to digital means of communication & record management shall enhance speed, accuracy, efficiency, cost saving, accountability & preservation of records.	-	REC shall experience positive financial implication due to cost saving & increase in swiftness of operations.
3.	Climate conscious measures to ensure the sustainability	Risk	Growing climate concerns may pose a threat to operations of the Company.	REC has taken an "Adapt" approach to address the climate concerns. REC has built a climate conscious "Green" building for its corporate office. Further, REC has focused on financing towards cleaner & environment friendly projects.	REC shall experience positive financial implication due to cost saving & additional revenues.



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	REC enters into Memorandum of Understanding (MoU) with its holding company, PFC, under the framework prescribed in MoU Guidelines issued by the Department of Public Enterprises (DPE). The MoU demarcates key performance parameters for the Company finalized in consultation with the Ministry of Power, Government of India. REC's MoU score for FY 2020-21 was 100 out of 100 and was rated as "Excellent".								
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight										
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) The Company is committed to develop a suitable ESG framework for the organization. The ESG Policy covering targets, challenges etc., is presently under preparation.									
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors								
9.	Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Company has a committee of senior officials for ESG matters. Further, Director (Technical) is resposible for decision making on sustainability related issues.								
10.	Details of Review of NGRBCs by the Company:									

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	On quarterly and annual basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	On quarterly and annual basis								

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Y	Y	Y	Y	Y	Y	Y	Y	Y

Note: The relevant explanation/information/links are mentioned in the Annexure to this Report.

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated.

Not applicable.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	3	Orientation programmes for familiarization of Independent directors with business and operations of the Company, industry structure, nature of services offered. The above trainings covered Principles 1, 2 & 9.	42.86%
Key Managerial Personnel	1	Experiential Learning Programme	25%
Employees other than BoD and KMPs	21	Various technical and financial topics including experiential learning and personal effectiveness which are relevant for day to day work	52.27%
Workers	-	-	-

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	1. National Stock Exchange of India Limited 2. BSE	₹86,21,080/-	For the financial year ended on March 31, 2022, the Company has complied with all requirements of SEBI LODR Regulations, the Companies Act, 2013 and rules made thereunder, applicable Secretarial Standards issued by ICSI and DPE Guidelines on Corporate Governance, as amended from time to time, except compliance related to appointment of requisite number of Independent Directors. Further, for some part of the year, the Company had no Independent Directors including Woman Independent Director on its Board and the composition of some Committees were also not in conformity with statutory provisions. Due to such non-compliances, NSE and BSE have imposed a total fine of ₹86,21,080/- including GST (₹43,10,540/- each including GST), for all the four quarters of FY 2021-22.	Yes



Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
Non-Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**	
Imprisonment	-	-	-	-	
Punishment	-	-	-	-	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	**Name of the regulatory/ enforcement agencies/ judicial institutions**
In connection with fine levied by NSE and BSE for non-appointment of Independent Directors / Woman Independent Director, as stated in the previous question, since the power to appoint Directors on the Board of the Company vests with the President of India, acting through the administrative ministry i.e., Ministry of Power (MoP), Government of India, therefore the Company has been requesting the appointing authority, i.e., MoP, for appointment of requisite number of Independent Directors. The Company has no control in the appointment of Directors or maintaining the composition of its Board & Committees thereof. In view of the same, the Company had requested / is requesting the stock exchanges to waive off the said fines. It is pertinent to mention, that BSE has already waived off the fine imposed on the Company for earlier quarters ended on September 2020 and December 2020. The Company is following up with the Stock Exchanges for waiving off the balance fine(s) as well.	1. National Stock Exchange of India Limited 2. BSE

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

REC follows procedures and norms of CVC regarding anti-corruption and anti-bribery and also the PIDPI Resolution (GOI Resolution on Public Interest Disclosure and Protection of Informers) relating to complaints for disclosure on any allegation of corruption or misuse of office wherein CVC is Designated Agency. Apart from the above, REC also adopted Whistle Blower Policy.

Further, the Company's *Conduct, Discipline and Appeal (CDA) Rules* define the code of conduct for all employees and recognizes acts of bribery, corruption, etc. as misconduct.

The Company also has a *Policy for Prevention of Frauds*, which sets forth obligation on part of every employee of the Company for prevention, detection and reporting of any act of fraud, bribery or corruption.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2021-22	**FY 2020-21**
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2021-22		FY 2020-21	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable.

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
3	Vigilance Division of REC conducted training program/ workshop for employees of REC including Regional Offices, Subsidiary & Training Centre, on following topics: • Contracts Management • PIDPI • Forensic Audit The above trainings covered Principles 1 & 2.	100%
2	Procurement & Contracts Management Division of REC conduced Vendor Development Programmes, one for general category vendors and 1 for SC/ST owned MSEs, on following topics: • GeM Awareness • Benefits to MSMEs/Start-Ups • Make-In-India Policy Awareness • Restrictions under Rule 144 (xi) of GFR 2017 : Country which shares a land border with India • Awareness for *"Atmanirbhar Bharat Abhiyan"* The above trainings covered Principles 2, 3, 8 & 9.	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

The Company has a Code of Conduct for Board Members and Senior Management, which covers *inter-alia* the process of dealing with conflict of interests. The Policy is available at https://recindia.nic.in/uploads/files/Code_Business_Conduct_Ethics.pdf.



PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	₹12.22 crore*	-	REC does not own any manufacturing facility, there are no significant particulars relating to R&D and Capex. However, the Company has set up a 979kWp solar power plant on top of its corporate office building in Gurugram (supported by solar pergola structure), to cater to the load requirement by using clean and renewable source of energy. The solar plant is functional since July 2021 and connected to grid. During the financial year 2021-22, it has generated 8,22,072 units of electricity, which has catered to around 50% of the total load requirement of REC corporate office building (i.e., 16,30,956 units).

** total capital investment on energy conservation equipment by the Company i.e., towards SITC (supply, installation, testing and commissioning of solar pergola and solar panels)*

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Considering the business activities of the Company, this question has limited applicability. As a NBFC, REC's resource use is mainly limited to electricity, office supplies and communication or IT equipment.

Being a NBFC, REC is less resource-intensive in terms of material requirements. Despite the limited scope, REC ensures responsible sourcing of all its material requirements. The Company promotes GeM portal (Government e-Marketplace) in its procurements and also promotes sourcing from MSME vendors. All procurement / sourcing of material and services is done as per the procedure defined in the Procurement Guidelines of the Company.

b. If yes, what percentage of inputs were sourced sustainably?

In terms of material requirements, REC has made it mandatory to procure common use goods & services available on GeM (Government e-Marketplace) portal, with purchase preference to MII/MSMEs as per Government directives.

During the financial year 2021-22, REC not only achieved but exceeded its target for procurement from GeM. The procurement from GeM portal was 51.14% in respect of MoU and procurement from MSMEs was 36.60%.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Given the nature of business and operations, the Company does not have material plastic waste, e-waste and other waste. Further, the Company does not have any hazardous waste.

Disposal of old, unserviceable & obsolete IT equipment's, identified as e-waste, is done through registered Recyclers/ Re-processers under Central Pollution Control Board, Government of India & State Pollution Control Committee/ Board Electronic waste, by following Procurement Guidelines of the Company.

The Company has also reduced plastic use to very minimal and encourages use of substitutes such as jute bags, cloth bags etc.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Being a NBFC categorized as IFC, the main products offered by REC include rupee term loans, short-term and medium-term loans etc. to borrowers for schemes and projects in the entire power sector value chain. Further, as nodal agency for various programmes of the Government of India, REC contributes towards the overall development of power sector.

The loan products are developed in line with the market norms, borrower requirements and applicable statutory and regulatory provisions of RBI and/or any other regulators. Details of loan products offered by the Company are available at the website at https://recindia.nic.in/financial-products.



REC has prepared Environmental Social Impact Analysis (ESIA) report in year 2016, under Official Development Assistance - KfW-III LoA between REC & KfW, applicable for financing renewable energy projects. The same serves as the roadmap for REC to address environmental & social issues in financing renewable power projects.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Other Financial Services and Activities - Other Credit Granting	No significant social or environmental concern / risk is envisaged from production or disposal of the Company's products / services.	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Considering the nature of business and operations, the percentage of recycled or reused input material used by the Company is negligible.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2021-22			FY 2020-21		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	*140			*177
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

** Denotes number of IT units safely disposed.*

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	368	-	-	368	100	0	0	368	100	368	100
Female	72	-	-	72	100	72	100	0	0	72	100
Total	440	-	-	440	100	72	16.36	368	83.64	440	100
Other than Permanent employees											
Male	2	-	-	-	-	-	-	2	100	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	2	-	-	-	-	-	-	2	100	-	-



b. Details of measures for the well-being of workers:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than Permanent Workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits		FY 2021-22			FY 2020-21		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF		100%	N.A.	Yes	100%	N.A.	Yes
Gratuity		100%	N.A.	Yes	100%	N.A.	Yes
ESI		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Others – please specify	NPS	100%	N.A.	Yes	100%	N.A.	Yes
	PRMS	100%*	N.A.	Yes	100%*	N.A.	Yes

** subject to eligibility conditions prescribed by DPE*

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises are accessible to differently abled employees, with elevators and ramps, wheel chair accessible restrooms and direction signs in braille at various points.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company has an Equal Opportunity policy and the same is available on intranet of the Company.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	100%	100%	-	-
Total	100%	100%	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No *(If Yes, then give details of the mechanism in brief)*
Permanent Workers	-
Other than Permanent Workers	-
Permanent Employees	Yes. A detailed grievance redressal mechanism is in place. It is available on the intranet of the Company.
Other than Permanent Employees	-

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Yes, REC has recognized a union of its non-supervisory permanent employees and an association of its executives.Regular employees of the Company are members of either the Employee Union or the Executive Association of REC.

8. Details of training given to employees and workers:

Category	FY 2021-22					FY 2020-21				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	188	25	13.3	163	86.70	358	20	5.59	114	31.84
Female	36	2	5.56	34	94.44	70	10	14.29	35	50.00
Total	224	27	12.05	197	87.95	428	30	7.00	149	34.81
Workers										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

9. Details of performance and career development reviews of employees and worker:

	FY 2021-22			FY 2020-21		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	71	27	38.03%	86	63*	73.26%
Female	13	10	76.92%	20	15	75.00%
Total	84	37	44.05%	106	78	73.58%
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

** excluding 02 employees who were considered for promotion in FY 2019-20 but promoted in FY 2020-21 (upon availability of vacancy)*

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Considering the nature of business and operations, the occupational health and safety issues are minimal. The Company takes care of health and well-being of its employees by reimbursing in-patient and out-patient medical costs, provision for leaves on medical grounds, rehabilitation policy in case of death or permanent disability, which are applicable for all employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Not applicable

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Not applicable

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, in order to provide improved health care facilities to the employees and their dependent family members, part-time services of doctors were engaged to provide onsite medical facilities. Additionally, the Company conducted 7 (seven) Covid vaccination camps for its employees, their dependent family members and retired employees.

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY 2021-22	FY 2020-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Not Applicable	
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill - health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

In view of the pandemic, the Company has ensured necessary precautions for the health and well-being of its employees, which included ensuring Covid appropriate behaviour, vaccination camps, remote working facilities and following social distancing norms.



13. Number of complaints on the following made by employees and workers:

	FY 2021-22			FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

None.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not applicable.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees-Yes, the Company provides rehabilitation package in case of death or permanent disability to the employee and/or his/her family member.

(B) Worker- Not applicable.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. -

Being NBFC, the Company includes in the terms & conditions of loans granted to its borrowers, necessary conditions stipulating timely deposit of their statutory dues, obtaining of statutory clearances and meeting such other similar obligations as per statutory requirements etc. The borrowers are also required to furnish compliance of the same to the Company at various stages.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Nil for FY 2021-22 and FY 2020-21.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company is a CPSE, which follows employment norms of DPE in cases of retirement or termination of employment. The Company also provides post-retirement medical benefits and other welfare measures to its retired employees.

5. Details on assessment of value chain partners:

None.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable.



PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Yes. The Company has mapped its internal and external stakeholders. Internal stakeholders include employees and staff of the Company; and external stakeholders include equity shareholders, bondholders, creditors, bankers, borrowers and customers from both public and private sectors, Governmental bodies and regulatory authorities including State Government(s), Reserve Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, Stock Exchanges etc.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email/SMS/Website/ Letters/Telephone/ Newspaper etc.	On quarterly basis, through AGM, Postal Ballot and as and when required.	Communication of financial results, adoption of financial statement and transaction of ordinary and special business from time to time. Addressing requests/grievances of shareholders from time to time.
Bondholders	No	Email/SMS/Website/ Letters/Telephone/ Newspaper etc.	As and when required.	Allotment, Interest Servicing, Redemption Payment, Bond Certificate/Demat Credit. Addressing requests/grievances of bondholders from time to time.
Vendors	No	Email/SMS/Website/ Letters/Telephone /GeM, Tender Wizard and other portals of Government.	As and when required.	Vendor Development Programmes are organised from time to time.
Customers	No	Email/SMS/Website/ Letters/ Telephone	On a regular basis.	Customer Satisfaction Survey 2022 conducted through Administrative Staff College of India, Hyderabad.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company already has various Board-approved policies in place, to address the economic, environmental, and social topics relating to its business. The said policies have been developed over a period of time based on the inputs from relevant stakeholders.

The Company has formed a committee of its senior officials to formulate ESG policy on Environmental, Social and Governance matters, which will submit its report in due course.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is used to support the identification and management of environmental, and social topics:

a. During the financial year 2021-22, with approval of the Ministry of Power, the Objects Clause of the Memorandum of Association of the Company was amended to add new lines of business in the product portfolio of the Company, including energy conservation, energy efficiency and environmental aspects of power including co-generation/ tri-generation/combined heat and power, e-mobility & associated infrastructure, financing of equipment manufacturing for power sector, financing of electrical and electromechanical/hydro systems, projects of lift irrigation, smart city, electrification of railways line, airport, works for energy conservation, waste heat recovery system etc.

b. In addition to above, REC is a nodal agency for reforms-based and results-linked Revamped Distribution Sector Scheme (RDSS) for supporting discoms to undertake reforms and improve their performance in a time-bound manner. RDSS, *inter-alia* aims to improve the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector, reduce the AT&C losses to Pan-India levels of 12-15% by 2024-25 and reduce the ACS-ARR gap to zero by 2024-25. As nodal agency, REC is actively participating in this initiative of the Ministry of Power, Government of India, towards a better power sector for the country.



c. REC has a well-defined CSR Policy in line with the Companies Act, 2013 and DPE Guidelines on CSR. In terms of DPE guidelines for the year 2021-22, which mandated CPSEs to spend 60% of their CSR budget on the theme of "Health & Nutrition, with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID care facilities", preferably in aspirational districts, the Company undertook various CSR projects aimed at improving health services and reducing malnutrition in Gajapati (Odisha), Mamit (Mizoram), Kiphire (Nagaland), Muzaffarpur (Bihar), Udham Singh Nagar (Uttarakhand), Chandel (Manipur) and West Sikkim (Sikkim) districts.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

REC promotes procurement from MSMEs and extends certain facilities in its procurement procedures to registered MSMEs. REC has welfare-oriented policies for its employees, especially those who are vulnerable.

The Company makes efforts on a regular basis to reach out to those equity shareholders and bondholders, who have unclaimed / unpaid dividends amounts/shares or unclaimed redemption amounts lying with the Company, so that such investors do not miss out on getting their rightful dues.

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

None for FY 2021-22 and FY 2020-21.

2. Details of minimum wages paid to employees and workers, in the following format:

All permanent employees are paid remuneration as per the guidelines of DPE which are higher than the minimum wages.

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	1	85,31,281	-	-
Key Managerial Personnel	1	85,87,993	-	-
Employees other than BoD and KMP	329	28,65,225	65	28,84,107
Workers	-	-	-	-

Notes:

1. *The above schedule includes only permanent employees who have worked for the entire period of 12 months during the financial year 2021-22.*
2. *Remuneration/salary/wages include allowances exempt u/s 10 of the Income Tax Act 1961 and Employer contribution towards Pension scheme. Further, it excludes employer's contribution into REC Gratuity Fund, Leave Encashment Provision based on actuarial valuation, various reimbursements given to employees for e.g. uniform, entertainment, conveyance, electricity, water and attendant charges and exempt medical expenses.*
3. *The above remuneration is paid in line with the guidelines issued by the DPE in this regard.*
4. *The Company has not given any stock options during the financial year 2021-22.*

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Company has a detailed grievance redressal mechanism in place. Any aggrieved employee can sought relief through the said mechanism. The said policy is available to the employees on the intranet.

6. Number of Complaints on the following made by employees and workers:

	FY 2021-22			FY 2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Pursuant to the Whistle Blower Policy of the Company, necessary mechanism has been put in place to provide protection to the complainant, wherever required. The Whistle Blower Policy is available at https://recindia.nic.in/uploads/files/Whistle_Blower_Policy.pdf.

REC believes that a sustainable organization rests on the foundation of ethics and respect for human rights. The Company ensures diversity and equal opportunities in workplace and upholds that career advancement is based on talent and performance.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Business agreements and contracts are primarily in nature of loan documents, which are executed on the basis of specific terms sanctioned to Borrowers. Human rights requirements do not form part of said loan documents. To protect the human rights of employees, REC has adopted employee-oriented policies, in line with the general laws and sound ethical practices.

9. Assessments for the year:

Nil for FY 2021-22 and FY 2020-21.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

Not applicable.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Not applicable.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises are accessible to differently abled visitors, with elevators and ramps, wheel chair accessible restrooms and direction signs in braille at various points.

4. Details on assessment of value chain partners:

Nil for FY 2021-22 and FY 2020-21.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

REC is a NBFC and does not have and production / manufacturing facility, therefore its energy intensity is limited.

However, REC has installed a 979kWp roof top solar plant in its corporate office, to cater to its electricity requirement. The solar plant is functional and connected to grid w.e.f. July 2021 and has generated 8,22,072 units of electricity, which has catered to around 50% of the total load requirement of REC corporate office building (i.e., 16,30,956 units). The building also has radiant cooling for slabs, Integrated Building Management System (IBMS), automated sensor controlled lighting, bio-climatic glass façade with motorized blinds, etc. for energy saving.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

3. Provide details of the following disclosures related to water, in the following format:

REC is a NBFC and does not have and production / manufacturing facility, therefore its water intensity is negligible.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

REC is not a manufacturing or a production company. However, as a part of its appraisal process for all the power projects it finances, REC identifies and assesses the potential environmental risks of the projects. Environmental issues, if any, are identified through due diligence, site visits and review of applicable compliances etc.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Not Applicable.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Not Applicable.

REC is contributing significantly to the renewable energy financing in India. The country has set an ambitious target



of 500 GW installed renewable energy capacity by 2030 and increase in the share of green energy to 50% of the total energy requirement by 2030. Further, at the 26th session of the Conference of Parties (COP26) to the United Nation Framework Convention on Climate Change (UNFCC) in Glasgow, UK in November 2021, it was decided to cut India's total projected carbon emission by one billion tonnes by 2030, reduce the carbon intensity of the nation's economy by less than 45% by the end of the decade and achieve net-zero carbon emissions by 2070.

In line with the Government's outlook for renewable energy sector, REC has been promoting competitive financing for renewable projects. REC has introduced various policies for competitive financing of clean energy projects across the country, including solar, wind, biomass projects and e-mobility. The total sanctions for renewable energy projects during the financial year 2021-22 were ₹14,733.52 crore towards 15 renewable energy projects, with aggregate installed generation capacity of 1,609 MW.

The Company's policies for renewable energy projects are reviewed from time to time, to meet its ever-evolving and dynamic needs. Till date, REC has funded nearly 11.6 GW of renewable energy projects, to support a greener future for the country. REC's financing norms for renewable energy projects can be accessed from the corporate website at https://www.recindia.nic.in/renewables.

REC is also the first Indian PSU to raise money from the international markets through Green Bonds listed on International Securities Market segment of London Stock Exchange in year 2017, with tenure of 10 years, the proceeds of which are applied for financing or re-financing of eligible green projects as per the Climate Bond Standards.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2021-22	FY 2020-21
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	140 units identified to be disposed as e-waste.	177 units identified to be disposed as e-waste.
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	**140 units identified to be disposed as e-waste.***	**177 units identified to be disposed as e-waste.***
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

*Considering the nature of business, the Company does not generate any material waste other than negligible quantity of e-waste.



9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Disposal of old, un-serviceable & obsolete IT equipment, identified as e-waste, is done through registered recyclers/ re-processors under Central Pollution Control Board and State Pollution Control Committee/Board, by following the procedure defined under REC's Procurement Guidelines.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

The Company is an NBFC with pan-India operations. Its registered office is in New Delhi and corporate office is in Gurugram. The Company has regional/state offices across India, which are located in State capitals. Offices of the Company are not located in ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

REC being a NBFC, finances power projects but does not own or execute/implement any project.

For renewable energy projects funded by REC, the Company requires the borrowers to submit Environmental and Social Impact Assessment (ESIA) as per applicable rules and regulations.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

REC is not a manufacturing company. Hence, the given question has limited relevance. However, the Company complies with applicable environmental regulations in respect of its premises and operations. The Company also covers environmental concerns in the due diligence of the projects it finances.

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

REC has installed a 979 kWp roof top solar plant in its corporate office, to cater to its electricity requirement. The solar plant is functional since July 2021 and connected to grid and has generated 8,22,072 units of electricity, which has catered to around 50% of the total load requirement of REC corporate office building (i.e., 16,30,956 units) during the financial year 2021-22. The building also has radiant cooling for slabs, Integrated Building Management System (IBMS), automated sensor controlled lighting, bio-climatic glass façade with motorized blinds, etc. for energy saving.

2. Provide the following details related to water discharged:

Not Applicable.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Not Applicable.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Not Applicable.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

During the financial year 2021-22, the Company has shifted to its new corporate office building at Gurugram, Haryana, which has features like radiant cooling for slabs to reduce power consumption for air conditioning by 30%, Integrated Building Management System (IBMS), automated sensor controlled lighting, bio-climatic glass façade with motorized blinds and other latest technological features to save power consumption. The Company has also installed a 979kWp roof top solar plant in its corporate office, to cater to its electricity requirement, which catered to around 50% of the electricity requirement of the corporate office building during the year. Highly efficient solar panels (efficiency = 21.2%) are installed and operating since July 2021.

For minimizing paper consumption, REC uses 'E-office' system in all its offices across the country. REC has actively used remote working methods through secure IT systems and processes, especially after onset of the pandemic, for ensuring business continuity while taking precautions for the health of its employees.



7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, REC has implemented Business Continuity and Disaster Recovery Plan for its data center and disaster recovery operations and the same is also ISO 27001:2013 certified.

The Primary Data Centre (PDC) and Disaster Recovery Centre (DRC) of REC are ISO/IEC 27001:2013 certified and also comply with National Cyber Security Policy of Government of India. REC has also implemented Data Leakage & Prevention (DLP) system at DC and DRC for preventing sharing of confidential and critical information outside the corporate network. Further, REC has implemented IT security directives of RBI's Master Direction of IT Framework for NBFCs.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

REC is also financing installation of pollution control equipment in thermal power plants, in line with Government directives. This includes installation of Flue Gas Desulphurization (FGDs), Selective Catalytic Reduction (SCR) and Electrostatic Precipitators (ESP), which contribute towards curbing of harmful emissions and particulate matter. During the financial year REC has sanctioned 9 projects for installation of pollution control equipment, with total loan amount of ₹752 crore.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

REC being a NBFC, does not own or execute/implement project. For renewable energy projects funded by REC, the Company requires its borrowers to get Environmental and Social Impact Assessment (ESIA) as per applicable rules and regulations.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/ associations.

13 (Thirteen)

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. no.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1.	Confederation of Indian Industry (CII)	National
2.	The Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3.	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
4.	Central Board of Irrigation & Power (CBIP)	National
5.	World Energy Council (WEC), India	National
6.	Standing Conference of Public Enterprises (SCOPE)	National
7.	All India Management Association (AIMA)	National
8.	Institute of Public Enterprises (IPE)	National
9.	International Solar Alliance (ISA).	International
10.	UN Global Compact	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

No adverse orders were passed from regulatory authorities.

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

REC is a member of World Energy Council (WEC), which functions under the patronage of MoP with the support of energy ministries and leading organizations in the energy sector. It is chaired by Secretary, Power with Secretaries of MoPNG, Coal, MNRE, MEA and CEA, Department of Atomic Energy acting as Vice Chairman of the body. The Directors & senior officials of REC contribute towards formulation of various policies relating to power sector, as part of various committees/working groups constituted by MoP.

The Company has advocated for clean technology, energy efficiency and renewable energy through various platforms from time to time. The Company raises public awareness on matters relating to the power sector through its social media handles.

REC has contributed towards achieving village and household electrification in the country, especially in the far-flung areas, with dedicated efforts of many years. The Company has been the nodal agency for key power sector schemes such as *Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY)* and *Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)*. During the financial year 2021-22, REC has contributed towards electrification of 4.41 lakh households in the country, under the SAUBHAGYA scheme. REC is currently playing the role of nodal agency for Revamped Distribution Sector Scheme (RDSS), for revamping the distribution sector which has been struggling for long with various financial & operational issues.

REC's wholly owned subsidiary, REC Power Development and Consultancy Limited (RECPDCL) is doing significant work in the fields of smart metering, 11 kV Rural Feeder Monitoring Scheme and monitoring of household electrification works, all aimed at betterment of power sector in the country.



PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   Not Applicable.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

   Not Applicable.

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The Company has a Public Grievance Redressal system for dealing with the grievances of the public at large. The Company has appointed a senior official in this regard as the Chairman, Public Grievance Committee, to ensure prompt redressal of grievances within the stipulated time frame.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2021-22	FY 2020-21
Directly sourced from MSMEs/ small producers	36.60%	70.76%
Sourced directly from within the district and neighbouring districts	-	-

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   Not applicable.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by Government bodies:**

Sl. no.	State	Aspirational District	Amount spent (In INR)
1.	Bihar	Muzaffarpur	3,75,01,141
2.	Manipur	Chandel	60,36,096
3.	Mizoram	Mamit	4,08,39,762
4.	Nagaland	Kiphire	1,50,00,000
5.	Odisha	Gajapati	1,95,65,164
6.	Sikkim	West Sikkim	31,05,086
7.	Himachal Pradesh	Chamba	79,14,810
8.	Rajasthan	Baran	1,56,50,622
9.	Jharkhand	Chatra	50,19,919
	Total		**15,06,32,600**

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

   Yes, REC has a policy to support public procurement from MSMEs. The policy is available at https://recindia.nic.in/uploads/files/RECPolicy-for-MSME-11022022.pdf.

   (b) **From which marginalized /vulnerable groups do you procure?**

   REC has made it mandatory to procure 100% of common use goods & services valuing upto ₹10 lakh from MSME vendors and also to allow price preference upto 50% to MSEs, out of which 20% is reserved for SC/ST and women entrepreneurs. The Company extends various facilities in its procurement procedures to registered MSMEs, such as supply of tender sets free of cost, exemption from payment of earnest money etc.

   (c) **What percentage of total procurement (by value) does it constitute?**

   Government mandate is for minimum 25% from MSME out of which 4% is to be from SC/ST vendors and 3% from Woman vendors. For financial year 2021-22, REC has achieved its MOU target set by Government of India for procurement from GeM (achieved 51.14% against the target of 25%) and for MSMEs (achieved 36.6% against the target of 25%). It is noteworthy that the bifurcation of procurements from SC, ST and women entrepreneurs, highly depends on the claims lodged by vendors, on which REC has no control.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

   Not applicable.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   No adverse orders were passed in relation to intellectual property related disputes.



6. Details of beneficiaries of CSR Projects:

Sl. no.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Construction of Building in SVNIRTAR to establish the Institute as a Centre of Excellence for Deformity Correction in Odisha	2,000	60%
2.	Distribution of aids & assistive devices to approximate to 8000-9000 numbers of persons with disabilities in various states of India	9,000	100%
3.	Providing better health facilities to leprosy affected and other poor people by constructing and equipping operation theatre and maternity block in The Leprosy Mission hospitals, Chhattisgarh, Uttar Pradesh and Tamil Nadu	1,500	90%
4.	Construction & renovation of Gandhi Memorial Hospital (a Government Hospital) affiliated to Shyam Shah Medical College in Rewa, Madhya Pradesh	60,000	60%
5.	Part-funding for Community based program for control of Sickle cell diseases and Thalassemia in the 30 districts of Odisha	1,00,000	80%
6.	Construction of blood bank cum administrative block and upgradation of blood bank equipment at Andhra Pradesh	5000	90%
7.	Construction of radiotherapy unit in Virat Hospice, run under Brahmrishi Mission Samiti, to support to the terminally ill cancer patients in Madhya Pradesh	100	100%
8.	Construction of Integrated muscular dystrophy and rehabilitation center 'Manav Mandir' (third floor)' at Himachal Pradesh	700	80%
9.	Providing medical equipment and instrument in District Hospital and 7 Public Health Center at Sikkim	2,000	90%
10.	Construction / extension of staff quarter for medical department and Modular prefabricated housing (quarter) for teachers at Kiphire, Nagaland	200	40%
11.	Improvement of health services and renovation & construction in Primary Health Centre, Primary Sub Health Centre, Community Health Centre and District hospital in Mamit, Mizoram	5,000	80%
12.	Solar powered solutions in the areas of education, healthcare, portable and smart model anganwadis in Bihar	500	90%
13.	Construction of Sewage Treatment Plant in Advanced Center for Treatment, Research and Education in Cancer (ACTREC), Tata Memorial Center, Khargahr, Navi Mumbai	NA	NA
14.	Providing food to migrant labourers/ family members engaged at construction/ sub stations, poor people, daily wage labourers etc. due to lockdown in view of the outbreak of pandemic corona virus COVID-19	1,00,000	90%
15.	Construction of 100 bedded waiting hall for the attendant of patients, multipurpose hall and incubation center at Sadar Hosptial and procurement &installation of 25 nos. of incubators at district hospital and PHCs in Bihar	1,000	90%
16.	Providing REC-Zodawn Mobile Health Clinics Van and emergency ambulance for 12 villages in churachandpur, Manipur	3,000	90%
17.	Construction of 200 bedded rest room (Vishram Sadan) for patient's attendants in Sri Krishna Medical College & Hospital in Bihar	1,000	90%
18.	Renovation of 50 nos. Anganwadi Centers (AWCs) and providing containers for storing food grains, LPG gas connection & setting up of Antenatal care corners in 1125 nos. AWCs in Bihar	5,000	90%
19.	Procurement of Blood Bank equipment for separating the blood components' in District Hospital, Machilipatnam, Krishna district, Andhra Pradesh	1,000	90%
20.	Distribution of 3400 nos. of aids and appliances to specially-abled persons across the country in Karnataka, Bihar, Jharkhand, Uttar Pradesh and Andhra Pradesh	3,400	100%



Sl. no.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
21.	Procurement of Cold Chain Equipment (CCE) for COVID-19 Vaccination program in Dadra & Nagar Haveli, Nagaland and West Bengal	10,000	60%
22.	Procurement, installation & commissioning of blood bank equipment/items at Indian Red Cross Society (IRCS) in Telangana	2,000	90%
23.	Strengthening cancer screening and basic cancer care services in 14 districts of Bihar	1,50,000	90%
24.	Procurement, installation & commissioning of Digital Subtraction Angiography machine in Rajasthan	500	80%
25.	Assistance for repair and maintenance of the 132 toilets in the government schools constructed under REC CSR support in Punjab	3,500	100%
26.	Construction of 140 bedded home (Block-B & Part Block-C of Anandam) - A home for the homeless sick, destitute, unknown & elderly people in Rajasthan	140	100%
27.	Installation of 1700 liters per minute oxygen generation plant (full assembly) and 150 kV generator plant in Maharashtra	100	90%
28.	Installation of 1000 LPM oxygen generation plant, procurement of 22 oxygen concentrators and 200 semi fowlers beds to strengthen COVID care/health care facilities at Base Hospital, Pithoragarh, Uttarakhand	100	90%
29.	Providing packed lunch facility daily to 300 nos. of doctors and health staffs deployed in Safdarjung Hospital, New Delhi	300	30%
30.	Installation of PSA (Pressure Swing Adsorption) Oxygen plant, oxygen pipelines, Beds/ICU equipment, Type-D Ambulance for referral cases and mobile blood donation van at Community Health Centre (CHC), Hunterganj, Chatra	100	90%
31.	Installation of 1000 litres per minute oxygen generation plant and 100 KVA DG set at District Hospital, Baran	100	90%
32.	Installation of 400 LPM oxygen generation plant and DG set of 62.5 KVA at Civil Hospital (Community Health Center), Dalhousie	100	90%
33.	Setting up 2 Nos. of electrical cum gas operated (Hybrid)) Crematorium in Jhansi, UP	NA	NA
34.	Up-gradation of the District Hospital, Mon by procurement of the medical equipment to strengthen health care services at District Hospital	500	90%
35.	Establishment of Oxygen ventilators, ALS Ambulance, and ICU patients beds at Govt. Charak Hospital, Ujjain, Madhya Pradesh, to be implemented by Indian red cross Society, Ujjain	2,000	90%
36.	Providing medical equipment at various government hospitals in Alwar, Rajasthan, to be implemented by Rajasthan Medicare Relief Society	2,000	90%
37.	Setting up of 10 Bedded ICU for paediatric and neo natal section, Medical equipment for 20 bedded service in District Hospital, Chaibasa, Jharkhand	500	90%
38.	Installation and commissioning of 32 slice CT Scan Machine at New District Hospital, Yadgir, Karnataka	200	90%
39.	Improving Screening for Cervical Cancer through Empowering Communities in UP	4,000	90%
40.	Survey and repair of 12347 toilets constructed during 2014-15 under Swachh Vidyalaya Abhiyan (SVA) by REC' in 5 states Uttar Pradesh, Bihar, Rajasthan, Telangana and Madhya Pradesh	3,00,000	100%
41.	Installation of 275 nos. of hand pump in district Shrawasti	500	100%
42.	Supporting for installation of 20 nos. of water ATM machines at Kumbh Mela site & at various iconic places in India	10,000	80%



Sl. no.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
43.	Installation of 200 nos. of Reverse Osmosis water treatment plant with 500 liters overhead storage tank and 1 HP electrical pump in 200 nos. of Aanganwadi Kendra/ primary school in Purnea district, Bihar	5,000	100%
44.	Adopting a slum for ensuring cleanliness of the slum-drinking water, sanitation, toilets, IEC campaigning, etc. under Swachhta Action Plan (SAP)	500	80%
45.	Construction of compound walls and providing gates in 24 nos. of government schools in Andhra Pradesh	700	100%
46.	Transforming school education by providing projectors, water facilities, furniture, white boards & markers, infrastructure support in schools & hostels, improvement of science laboratories etc.in Chandel Manipur	1,000	90%
47.	Infrastructure development by construction of auditorium in Govt. Higher Secondary School, in Kerala	50	100%
48.	Providing water purifier in govt. schools and initiating Super 30 for HSC (Higher Secondary Certificate) appearing students in Odisha	300	100%
49.	Transforming school education by providing equipment, teachers' training, increasing female literacy, providing drinking water in govt. schools, etc.in Mamit Mizoram	5,000	100%
50.	Construction of boys hostel (second floor) for 75 tribal children at Sandalpur village and providing support for studies, food and other basic necessities to 150 residential girls at Parivaar Bengal Residential Institution in Barkalikapur village	225	100%
51.	Setting up Research & Rehabilitation Center (third floor), boundary wall with gate and playground at Research and Rehabilitation Centre for specially abled children in Himachal Pradesh	100	80%
52.	Transforming school education by upgrading the infrastructure of 15 Govt. primary schools, 1 Govt. higher school & 1 Govt. senior secondary school by repairing, renovating classrooms; redesigning kitchen, boundary walls, electrical wiring/ providing internet, procurement of water cooler, almirahs, cutlery, converting class rooms in to smart class rooms, providing play equipment, school library, science/ mathematics laboratory, etc. in Himachal Pradesh	3,000	100%
53.	Providing training to 10,000 candidates for appearing in competitive exams in Haryana	10,000	100%
54.	An innovative mobile school for imparting education to 462 nos. of deprived children belonging to migrant labourers residing in various slums in Gurugram, Haryana	462	100%
55.	Construction of 53 nos. of additional classrooms in 32 nos. of Government schools in Gajapati, Odisha	1,000	100%
56.	Assistance for construction of residential building (G+2) for 150 tribal girls at Sehore district, Madhya Pradesh and providing support for studies, food and other basic necessities to 11 Seva Kutirs comprising approx. 1541 children	1,541	100%
57.	Assistance for construction of a building for providing value education' in Haryana	1,000	60%
58.	Construction of 2 hostel tower (G+9) with furniture, fixtures, landscaping, external lighting & approach road for post graduate students and installation of grid connected 100kWp roof top sloar PV Panel under School of Medical Research and Technology (SMRT) on IIT, Kanpur	72	80%
59.	Construction of hostel building for Scheduled Tribes/ vulnerable/ weaker section of the society in Kelwada (Kumbhalgarh) village, Rajsamand district, Rajasthan,	100	100%
60.	Job oriented skill development training (residential) to specially abled and economically weaker section beneficiaries across India	350	100%



Sl. no.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
61.	Job oriented skill development training to 2000 no. of beneficiaries belonging to economically weaker section of the society in Maharashtra.	2,000	100%
62.	Job oriented skill development training (residential) program to 1200 beneficiaries belonging to EWS/SC/ST/ women etc. in Madhya Pradesh	1,200	100%
63.	Job oriented skill development training to 1100 unemployed youths belonging to SC/ST/OBC/Women/Minority/EWS/ Underprivileged across India	1,100	100%
64.	Providing job oriented skill development training to 1000 nos. of beneficiaries belonging to economically weaker section in UP	1,000	100%
65.	Providing skill development training and distribution of equipment kit for self-employment to 500 nos. of women belonging to economically weaker section in Aurangabad district, Maharashtra	500	100%
66.	Providing job oriented skill development training to 2500 nos. of people belonging to SC/ST/OBC/Women/Minority/EWS at various locations in India	2,500	100%
67.	Providing job-oriented Skill development training to 360 nos. of beneficiaries belonging to SC/ST/OBC/ Women/ EWS etc. in Madhya Pradesh	360	100%
68.	Free distribution of seeds (Rabi season) to farmers residing in draught prone area in Maharastra.	9,225	100%
69.	Installation of 2 MW SPV system in at various locations at campus of IIM, Tiruchirappalli	NA	NA
70.	Installation of 0.25 MW SPV system and LED lights at various locations at Sambalpur University Campus, Odisha	NA	NA
71.	Providing sustainable energy systems for SMARTGRAM initiative of Rashtrapati Bhawan in forty five villages of Haryana	NA	NA
72.	Conservation & sustainable management of bio resources of Andhra Pradesh	NA	NA
73.	Installation of 1 MWp SPV system at various locations at campus of Madurai Kamaraj University, Tamil Nadu	NA	NA
74.	Installation of 2 MWp SPV system at various locations on campus of Acharya Nagarjuna University, Andhra Pradesh	NA	NA
75.	Construction and operation of shelter home with wellness facility (60 seaters) for the care of the elderly in Ladakh, Jammu & Kashmir	60	100%
76.	Farmer-Centric Integrated Watershed Management for Improving Rural Livelihood in Andhra Pradesh and Telangana	10,000	100%
77.	Community development awareness program for ultimate utilization of the naturally available nutrition, food and energy around the communities in Meghalaya and Nagaland	3,000	90%
78.	'Construction of multipurpose hall cum indoor stadium in Somdal village of Ukhrul district, Manipur	500	90%
79.	Rural Development Works like construction of community hall, PCC Road, Conduits, Yatri Shed, installation of LED Lights, RO Plants etc. in Bihar	10,000	80%
80.	Broad basing of Sports and promotion of excellence in sports in India	250	80%
81.	Undertaking reconstruction and restoration of Govt Schools and Govt. Health Centres in various district of Uttarakhand.	4,000	100%
82.	Contribution to PM CARES Fund	NA	NA

*NA- Not Applicable



PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Being a NBFC, the Company has adopted a Fair Practices Code in line with the statutory requirements prescribed by RBI. The Code covers in detail a grievance redressal mechanism for consumers to submit their complaints if any. The Board of Directors periodically reviews the status of compliance of Fair practices code and also grievances received under the same. For the financial year 2021-22, no complaints were received under the Fair Practices Code.

The Fair Practices Code of REC can be accessed at https://recindia.nic.in/uploads/files/Fair-Practices-Code.pdf

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable

The products of the Company are mainly loans for the power sector and hence, the necessary terms & conditions and other legally binding clauses etc. are incorporated in the loan documentation in each case.

3. Number of consumer complaints in respect of the following:

	FY 2021-22		Remarks	FY 2020-21		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other: Consumer Cases	4	3	-	5	4	-

4. Details of instances of product recalls on account of safety issues:

Not Applicable.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company has a comprehensive risk management policy which essentially covers cyber security and related aspects. The policy is an internal document of the Company available on its intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable.

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

REC offers a gamut of financial services to the entire power sector value chain, for setting up power infrastructure in generation, transmission & distribution, bolstering operational efficiency and implementing innovative technology solutions, by financing State power utilities, State Governments and private sector power developers. The product portfolio, interest rates and relaed information for customers is available on the Company's website at https://recindia.nic.in/financial-products.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

REC has a pan-India presence, with regional offices across the country. At each regional office, the Chief Program Manager

(CPM) is the single point of contact for all borrowers in the State and for any concern over the products and services offered by the Company. Contact details of regional offices/ CPMs are available at https://recindia.nic.in/contact. The Company has also displayed consumer awareness literature on its website at https://recindia.nic.in/financial-products.

Further, REC has an in-house training institute *viz*. REC Institute of Power Management and Training (RECIPMT), which caters to the training and development needs of engineers and managers of power sector organizations across the country and beyond. RECIPMT undertakes various training programmes including on electrical safety, techno commercial improvement of discom performance, sustainability of power utilities etc. During the financial year 2021-22, RECIPMT conducted a total of 868 training programmes for 20,728 participants, achieving 64,361 training man-days in total.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

REC has implemented Business Continuity and Disaster Recovery Plan for its data center and disaster recovery operations and is also ISO 27001:2013 certified.

Further, under the guidance of Ministry of Power, REC's wholly owned subsidiary, *viz*. REC Power Development and Consultancy Limited ("RECPDCL") has implemented the Urja Mitra App, which provides a Central Outage Management and notification platform for State power distribution utilities, to disseminate power outage information to urban and rural power consumers across India through SMS, email or push notifications.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company is a NBFC offering financial products, hence it is ensured that adequate disclosures are made to its borrowers through loan agreements and documentation; and through the corporate website at https://recindia.nic.in/financial-products.

Being a NBFC, the Company also adheres to *Fair Practices Code* mandated by RBI, which sets out the fair lending practices to be followed with borrowers, in matters relating to application for loans and their processing, loan sanction, disbursement, post-disbursement supervision and grievance redressal mechanism etc. The *Fair Practices Code* is available at https://recindia.nic.in/uploads/files/Fair-Practices-Code.pdf.

REC has conducted Customer Satisfaction Survey 2022 of its esteemed customers across the country, comprising of Central and State Government power entities and private players in power space, through Administrative Staff College of India, Hyderabad. The overall Customer Satisfaction Index (CSI) score of the survey was 80%, reposing faith and confidence in the customer-friendly services being extended by REC to its borrowers.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

b. Percentage of data breaches involving personally identifiable information of customers

Such instances were Nil for the financial year 2021-22.

For and on behalf of the Board of Directors



Vivek Kumar Dewangan
Chairman & Managing Director
(DIN: 01377212)

Place : Gurugram
Date : August 20, 2022



ANNEXURE TO BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

P1 **Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

REC conducts its business activities with utmost importance to ethics, transparency and accountability. The various policies, codes and rules framed in this regard include:-

Name of the Policy	Weblink
Internal Guidelines on Corporate Governance	https://recindia.nic.in/uploads/files/Final---Internal-Guidelines-on-Corporate-Governance.pdf .
Policy for Prevention of Fraud	https://recindia.nic.in/uploads/files/Revised-Fraud-Prevention-Policy-310122.pdf.
Whistle Blower Policy	https://www.recindia.nic.in/uploads/files/Whistle_Blower_Policy.pdf.
Code of Business Conduct and Ethics	https://www.recindia.nic.in/uploads/files/Code_Business_Conduct_Ethics.pdf.
Fair Practices Code	https://recindia.nic.in/uploads/files/Fair-Practices-Code.pdf
Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions	https://recindia.nic.in/uploads/files/RPT-Policy-of-REC-dated-150722.pdf.
Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives and for Fair Disclosure	https://www.recindia.nic.in/uploads/files/cs-revised-insider-trading-code-submitted-to-stock-exchanges-dt070619.pdf
Policy on 'fit & proper' criteria of Directors	https://recindia.nic.in/uploads/files/Amended---Policy-on-Fit--Proper-Criteria.pdf

In addition to the above, there are other policies and rules, which are internal documents of the Company and are accessible to the employees of the Company on Intranet.

P2 **Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

The Company is a NBFC offering financial products, which include loans to renewable energy projects for environmental sustainability. Details of the Company's products & services are available at https://www.recindia.nic.in/financial-products.

Further, CSR Policy of the Company is available at https://recindia.nic.in/uploads/files/REC-CSR-Policy-07-12-2021.pdf.

P3 **Businesses should promote the well-being of all employees**

The Company has adopted various employee-oriented policies in line with the general laws and regulations and sound ethical practices. Such policies are normally approved by the Board of Directors and are accessible to the employees of the Company on the intranet.

P4 **Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

The Company respects the interest of all its stakeholders, including those who are disadvantaged, vulnerable & marginalized. The Company works towards inclusive growth through its CSR Policy approved by the Board of Directors. The CSR Policy is available at https://recindia.nic.in/uploads/files/REC-CSR-Policy-07-12-2021.pdf.

P5 **Businesses should respect and promote human rights**

REC strives to safeguard and uphold human rights in all ways possible. The Company has a Code of Business Conduct & Ethics for its Board Members and Senior Management, which, *inter-alia*, casts moral imperative on the members of senior management to keep in mind the safety and protection of human life and environment and also to avoid discrimination on any grounds. The said Code is available at https://www.recindia.nic.in/uploads/files/Code_Business_Conduct_Ethics.pdf.

P6 **Businesses should respect, protect and make efforts to restore the environment**

As a financial institution in the power sector, REC has been increasingly supporting the development of renewable energy space. REC's financing norms for renewable energy are available at https://www.recindia.nic.in/renewables.

P7 **Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

Being a key financial institution of power sector, REC plays an active and responsible role in matters concerning public & regulatory policy. REC's interactions with public at large can be followed through its various social media handles.

P8 **Businesses should support inclusive growth and equitable development**

REC has various policies to support inclusive growth and equitable development of all its stakeholders, including public procurement policy for MSMEs (https://www.recindia.nic.in/uploads/files/Public_Procurement_Policy.pdf), equal opportunity policy for its employees (available on REC intranet), attractive lending rates for green-energy projects (https://www.recindia.nic.in/renewables) and also CSR policy (https://recindia.nic.in/uploads/files/REC-CSR-Policy-07-12-2021.pdf).

P9 **Businesses should engage with and provide value to their customers and consumers in a responsible manner**

REC has a Board-approved 'Fair Practices Code' in place, to ensure that fair and transparent practices are followed by the Company while dealing with customers in its lending operations. The Code is available at https://www.recindia.nic.in/uploads/files/Fair-Practices-Code.pdf.

All policies & processes are reviewed by the Board of Directors/senior management from time to time.