

14th January' 2013

To

**The Global Compact Office
United Nations Global Compact
Two United Nations Plaza
New York, NY 10017**

Sub: PVR Limited's submission of Communication on Progress Report.

Dear Sir

Greetings from PVR Limited.

PVR Limited is a member of United Nations Global Compact (participant ID: 7797) since 26th December'2008.

Being a good corporate citizen is an ambition enthusiastically embraced at all levels within PVR Limited. Our board fully supports our actions in working towards our sustainability goals- in particular to those contained in the UN Global Compact.

Our Annual Communication on Progress for the year 2012- 2013 is enclosed with a commitment to further our actions in working towards our targets.

Warm regards

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PVR Limited



Communication on Progress

Year: 2012- 2013

You can give a brief executive summary of your company and its mission and objectives, its subsidiaries and financial performance.

Commitment Statement by CMD:

Example: Being a good corporate citizen is an ambition enthusiastically embraced at all levels within our company. As a member of the Global Compact, we believe that our business policies incorporate the ten principles. Our board fully supports our actions in working towards sustainability goals – in particular those contained in the UN Global Compact – and endorse the future priorities and specific targets we set out in our report. Through our support of the United Nations Global Compact, we also aim to move the agenda forward on performance related to human rights, labour rights, the environment and the fight against bribery and corruption. Here we summarised the progress we have made against these principles and we will continue to follow them up in future.

14th January'2013

**Ajay Bijli- CMD, PVR Limited
(Highest Level Executive)**

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	Global Compact Principle	Commitment/ Policies, Action Taken & Impact Achieved and/or Plans for the upcoming Year
☒	<p>1: Businesses should support and respect the protection of internationally proclaimed human rights;</p>	<p><u>Commitment/ Policies:</u> The management of PVR Limited is committed to upholding the human values and rights. We at PVR Limited have developed and implemented codes and conduct for protection of Human rights amongst our employees and have made them part and parcel of our day to day functioning.</p> <p><u>Action Taken:</u> All our Human Resource policies duly adhere to the various aspects of human rights like equality, life and security, personal freedom and economic, social and cultural freedom for all our employees equally.</p> <p><u>Outcomes:</u> PVR Limited has gradually begun to be accepted as a ‘Good employer’ in terms of human rights adherence. We have accrued many benefits of improved stakeholder relations, improved employee motivation and retention, reduced risk of consumer protests and more sustainable business relations due to our strict adherence to strong and inclusive HR policies.</p> <p><u>Plans for the Upcoming Year:</u> We intend to give intensive training relating to Human Rights especially to our Human Resource team along with all the employees and create a platform where employees from our company and sister concerns would share thoughts for the betterment of office atmosphere.</p>
☐	<p>2: and make sure that they are not complicit in human rights abuses.</p>	<p><u>Commitment/ Policies:</u> Our Legal and Human Resource department has adopted an integrated and systematic management approach to human rights by exercising due diligence at all levels.</p> <p><u>Action Taken:</u> Strict adherence practices have been followed to avoid direct or indirect complicity to human rights abuse. We have a monitoring system that ensures that all human right policies are being followed. There is a half yearly assessment to assess the impact of these practices. In the last year 2012- 13, we created an HR committee in alliance with the Legal Department to ensure strict compliance of all HR policies.</p> <p><u>Outcomes:</u> PVR Limited has been able to establish a positive impact on its shareholders, employees, business partners and non- governmental organizations after rigorous practice of Human Rights policies.</p>

		<p>Plans for the Upcoming Year: We intend to raise awareness within the company of human rights issues and regularly consult within and outside the company on strengthening human rights.</p>
<input type="checkbox"/>	<p>3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p>	<p>Commitment/ Policies: PVR Limited expressly respects the right of the employees to work freely and without any reservations allows them the promotion and defence of all their occupational rights, economic and social interests.</p> <p>Action Taken: Employees are provided with forums and opportunities where they can freely negotiate and discuss their relations and concerns regularly keeping in mind the global concerns arising in the business scenario and the global markets. The Human Resource department at PVR Limited leads this initiative through a committee.</p> <p>Outcomes: PVR Limited has been able to create an environment of ‘good faith’ and harmonious relationship through a constructive dialogue. We have been seen increased productivity, incomes and profit for all the stakeholders.</p> <p>Plans for the Upcoming Year: we intend to develop more transparent policies for addressing the problems and needs of the employees and inform regularly the media, local communities and public authorities of our efforts towards the same.</p>
<input type="checkbox"/>	<p>4: the elimination of all forms of forced and compulsory labour;</p>	<p>Commitment/ Policies: PVR Limited has a focused vision to abolish all types of forced labour at our premises.</p> <p>Action Taken: Legal Department and Human Resource department are vigilant enough that no party who is dealing with PVR Limited indulges in any such violation. Further, all statutory compliances are called for before releasing any dues to any third party dealing with PVR, in the event it is felt that in any such transaction labour laws could be violated. A comprehensive set of regulations are established at both workplace and community level.</p> <p>Outcomes: During the past couple of years there has not been a single award against PVR Limited from any Labour court or Industrial Tribunal on the issues pertaining to any form of forced or compulsory labour.</p> <p>Plans for the Upcoming Year: We intend to upgrade our policies to tackle any newer form of Forced and compulsory labour thereby making our internal policies dynamic and more in sync with the changing laws. We have clear policies towards not being complicit or benefit from forced labour. We intend to continuously upgrade our</p>

	policies in tandem with national and international standards.
<p>5: the effective abolition of child labour;</p>	<p><u>Commitment/ Policies:</u> We at PVR Limited are committed to develop an awareness and understanding of the causes & consequences of child labour, which eventually violates their basic human rights & development process. We do not employ any person below the age of 18 years at our premise.</p> <p><u>Action Taken:</u> We developed our corporate social responsibility arm i.e. PVR Nest which has eventually registered as a Non-Governmental Organization to focus on children from difficult circumstances in & around PVR complexes & urban environment. PVR Nest identified ongoing child labour & exploitation at our cinema complexes through a baseline survey and in association with the local Market Traders Association and Residents Welfare Association. Since many of these children were the sole income providers of their families, an exhaustive plan was developed to divert their attention and provide them with viable alternatives. With an aim to mainstream these children in the education process, we began to engage with 50 children in 2006 at Vasant Vihar through our program 'Childscapes' and developed a plan to impact their social, educational, physical & psychological development.</p> <p><u>Outcomes:</u> Today, we engage with around 500 children every day at 10 operational sites (Satellites points, centres and schools where these beneficiaries are enrolled). All these children are given a nutritious daily mid day meal, and extended important support like weekly healthcare services, life skills education and immunization along with rehabilitation from substance abuse and livelihood opportunities.</p> <p>After a sustained plan of engaging & relating with these children for a year, we have mainstreamed around 200 children to various recognized MCD schools in Delhi/NCR. We have recruited over 20 of our beneficiaries in the age group of 18- 20 years at our cinemas in the housekeeping department in New Delhi to give them sustained and focused employability options.</p> <p><u>Plans for the Upcoming Year:</u> We intend to sensitize our vendors and partners towards this issue and sign agreements to combat the issue of child labour. We plan to initiate a transparent policy framework to detect and eradicate child labour.</p>
<p>6: and the elimination of discrimination in respect of employment and occupation.</p>	<p><u>Commitment/ Policies:</u> We are committed to provide equal employment opportunity to all applicants irrespective of religion, caste, colour and gender. We aim to carry out recruitments, across all levels, in a transparent manner with no room for malpractices, unprofessional conduct or extending preferential</p>

	<p>treatment and filling the position only if the candidate is found suitable possessing the right skills, qualifications & experience. We have stringent policies & procedures on employee grievances & sexual harassment</p> <p>Action Taken: Our action plan is strategized by attracting the best talent, Developing each individual employee to their fullest level and taking all measures towards retaining the employees at all levels.</p> <p>Outcomes: These action strategies have enabled a correct estimation of manpower requirements to avoid over/under staffing. We have been able to create a culturally diverse work force. We have also been able to derive a holistic recruitment policy conferring to Government/Ministry legislations.</p> <p>Plans for the Upcoming Year: To develop & initiate diversity specific hiring plans to take a proactive approach in employing people from economically weaker sections and with physical challenges. We plan to take a proactive approach in developing a dynamic recruitment & employee retention policy to value differences & our human resources with clear & measurable results. We aim to strengthen it further by training and recruiting the beneficiaries of PVR Nest at different levels at our cinemas. These beneficiaries are youth from the less privileged backgrounds and slums and communities around PVR complexes.</p>
<p>7: Businesses should support a precautionary approach to environmental challenges;</p>	<p>Commitment/ Policies: We are committed towards a systematic assessment of scarcity of natural resources, its risks & hazards and its effective redressal through all our business practices & principles.</p> <p>Action Taken: Keeping in view our nature of business, we have devised a preventive & precautionary approach to environmental sensitivity leading to collective well being. These steps & principles of water & energy conservation, maintaining a green supply chain etc, prevention, precaution & information (both access & dissemination) have been integrated in our everyday business practices. We have adopted 3 local neighbourhood parks and through volunteer activities involving children redeveloped them and made them better spaces for the general public.</p> <p>Outcomes: We have been able to evolve policies & programs for conservation from within and carry out innovative measure for environmental reforms. Through tangible measures we recycle 100 kgs of waste paper each month into eco friendly products. Through the use of bio ways at all our Cinemas pan India , we save 35 million litres of water each year. We have cut down our</p>

	<p>energy consumption by 30 % by practicing various energy efficient drives.</p> <p>Plans for the Upcoming Year: We aim to build new, stronger & innovative alternative environmental conservation policies & plans extending to our pan India cinema properties, distributor & market network etc which involve multiple stakeholders. We plan to adopt 3 more neighbourhood parks this year and convert them into better places for local citizens.</p>
<p>8: undertake initiatives to promote greater environmental responsibility;</p>	<p>Commitment/ Policies: We are committed to develop, initiate & promote 'triple bottom line' of sustainability & good energy, water & paper conservation practices.</p> <p>Action Taken: We have implemented best energy practices like installation of Variable Frequency Drives to maintain temperature, installation of CFL & LED lights & light timers, observance of the 'Earth Hour' every Thursday across all our cinemas pan India by switching off facade lights & energy consuming products, lowering air conditioner temperature & minimising non essential lights. For effective water conservation, we have installed waterless bio blocks system in men's washroom urinals in most of our cinemas. This is a technique to use microbial technology to digest organic urine crystals. We have developed a culture for waste together by recycling paper at our head office and indirectly generating income & employment opportunities for inmates of Tihar jail.</p> <p>Outcomes: by implementing energy conservation practices, we have been able to save about 30-40% energy than what was consumed earlier. We save approximately 20 million litres of water every year due to the use of waterless microbial technique pan India. This initiative of PVR Limited has been featured in best practices by Confederation of Indian Industries (CII). We recycle around 100 kgs of paper each month. We were awarded with the 'Aqua Excellence Award 2012' by Aqua Foundation on our water conservation initiatives.</p> <p>Plans for the Upcoming Year: We plan to develop a more systematic policy and assessment techniques for voluntary self regulation for our energy & water conservation techniques by developing sustainability indicators & targets. We plan to percolate information & best practices of our conservation initiatives to all our employees at all levels and at multi stakeholder forums and to the public at large to foster dialogue & transparency. We plan to develop exhaustive communication & reporting tools in incorporating sustainability principles. We plan to extend these best practices to all our properties pan India.</p>

<p>9: and encourage the development and diffusion of environmentally friendly technologies.</p>	<p><u>Commitment/ Policies :</u> We are committed to using environmentally sound techniques which in alignment with our business practices are less polluting, use & recycle all resources effectively. We encourage the use of cleaner processes, less polluting technologies in our operating procedures.</p> <p><u>Action Taken:</u> We have converted 351 of our cinema screens into digital movie screens where we have replaced the traditional film reel with an electronic copy on a storage device. We are also currently using Environment Friendly Refrigerant gas for our AC Plants, Electronic ballast in place of copper ballast.</p> <p><u>Outcomes:</u> The use of Cinema systems has led to enormous environmental savings in terms of printing huge film reels, transport cost while shipping the reels & their disposal.</p> <p><u>Plans for the Upcoming Year:</u> We are in the process of establishing a formal corporate policy in the use of environmentally sound techniques, its targets, assessment, monitoring & communication. We aim to invest time & resources for implementing relative green practices across maximum of our procedures & practices. We plan to make information on our environmental performance & benefits of using such technologies available to our stakeholders.</p>
<p>10: Businesses should work against all forms of corruption, including extortion and bribery.</p>	<p><u>Commitment/ Policies:</u> We follow a No Tolerance position on bribery, extortion & corruption through a code of conduct which we adhere to for compliance with greater transparency, accountability & disclosures in order to improve & maintain the highest standards of Corporate Governance. None of the members of the organization misuse their entrusted powers/ exercise extortion for personal gains, promise, make payment or authorize payment of any money or gift of value from customers, suppliers, vendors or authorities that is perceived as intended directly or indirectly to influence any business decision.</p> <p><u>Action Taken:</u> Every member of the board & senior management is given a copy of the code of conduct and required to confirm their compliance of the same in writing. All invoices, expense claims are checked by the financial controller. All the accounts are audited by the company accountants and external auditors who ensure that all financial dealings are in accordance with legislation & ethical practices.</p> <p><u>Outcomes: :</u> As on date there is not even a single case reported to any authority related to the mentioned subject against PVR</p>

		<p>Limited.</p> <p><u>Plans for the Upcoming Year:</u> A copy of the code will be published on our website & annual report for reference, public advocacy & compliance. The code may be extended to other senior members of the company, as the Board may seem fit. Expert advice will be obtained whenever required from appropriate sources/organizations.</p>
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