

ARAVALI POWER COMPANY PVT. LTD.(APCPL)

CORPORATE SOCIAL RESPONSIBILITY POLICY



CSR POLICY 2018



नई दिशा की ओर बढ़ते कदम

APCPL POLICY FOR CSR & SUSTAINABILITY - 2018

Aravali Power Company Pvt Ltd. (APCPL) is a Joint venture company with 50% share of NTPC Ltd, 25% of Haryana Power Generation Company Ltd (HPGCL, Haryana State company), and 25% of Indraprastha Power Generation Company Ltd (IPGCL, Delhi State company). The company was registered on 21st Dec 2006.

APCPL has constructed a coal based power plant near Village Jharli, District- Jhajjar (Haryana) named Indira Gandhi Super Thermal Power Project (IGSTPP). Presently under Stage-I, power plant of 3x 500MW capacity is constructed, whose all 3 units are commissioned. There is a future provision of 2x 660 MW under Stage-II.

Corporate Objectives on CSR & Sustainability.

"To contribute to sustainable power development by discharging corporate social responsibilities"

"To lead the sector in the areas of resettlement & rehabilitation and environment protection including effective ash-utilization, peripheral development and energy conservation practices"

APCPL endeavours to improve the quality of life in neighbourhood community through various community development initiatives under its Policy for Corporate Social Responsibility (CSR) & Sustainability.

COMMITMENT for CSR & SUSTAINABILITY

"APCPL commits itself to contribute to the society, discharging its corporate social responsibilities through initiatives that have positive impact on society at large, especially the community in the neighbourhood of its operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability"

Guiding Principles

- Strive to improve standard of living of society at large, with preference to local and backward areas.
- Promote inclusive growth by focusing on needs of the deprived, under privileged, neglected and weaker sections of the society especially women, girl child, physically challenged and elderly persons.
- Contribute towards clean and sustainable development by protecting & maintaining the environment (air, soil and water), conserve natural resources, support biodiversity conservation and promote renewable energy.
- Integrate CSR & Sustainability initiatives with National Development plans

Scope and Coverage

- This Policy for CSR & Sustainability applies to formulation, implementation, monitoring, evaluation, documentation, reporting of CSR and sustainability activities taken up by APCPL anywhere in India.
- This policy does not cover activities undertaken in pursuance of APCPL's normal course of business and activities exclusively for benefit of APCPL's employees or their family, as the same are not considered as CSR & Sustainability activities

- This policy is intended to be in conformity with the provisions of Companies Act 2013 and DPE Guidelines on CSR, if any. In case of any contradiction between this policy and provisions of the Companies Act, the latter shall prevail.
- Any new provision arising out of amendments to Companies Act, 2013 or rules made there under shall be construed to be a part of this policy. However, such new provisions shall be specifically incorporated in the policy.

Mechanism and Process

Towards fulfilment of its commitments for CSR and Sustainability and implementation of its Policy for CSR & Sustainability, mechanism adopted by APCPL is as detailed below:

1.0 Structure

1.1 The structure already in place, and described hereabout shall continue:

1.2 The Board level Corporate Social Responsibility & Sustainability Committee comprising at least three Directors with at least one Independent Director, recommends to the Board for approval, the amount of expenditure to be incurred on the activities and monitor from time to time the Policy for Corporate Social Responsibility & Sustainability approved by the Board.

1.3 Two-tier structure i.e. Unit and Board Level is responsible for planning, implementation, monitoring and reporting on CSR & Sustainability projects.

1.4 With a vision "To serve and Empower the Physically Challenged and Economically Weaker Sections of the Society", APCPL takes up projects and programmes addressing niche domains of socio-economic concerns .

1.5 APCPL encourages volunteering by its employees and their family members. Employees NGOs under the banner "Employee Voluntary Organization for Initiatives in Community Engagement (EVOICE)" also facilitate planning and implementation of the identified CSR & Sustainability projects, complementing the CSR & Sustainability initiatives of APCPL.

2.0 Programme

2.1 CSR & Sustainability programs undertaken by APCPL include activities specified in Schedule VII of the Companies Act 2013 & rules made there under and any other activity for benefit of community at large. An Indicative list of CSR & Sustainability programs / projects of APCPL is given at Annexure-I.

2.2 Focus areas of APCPL CSR & Sustainability activities are Health, Sanitation, Drinking Water, Education, Capacity Building, Women Empowerment, Social Infrastructure Development, support to Physically Challenged Person (PCPs), and activities contributing towards Environment Sustainability Preference for CSR & Sustainability activities is given to local areas (within the district) around APCPL's operations, ensuring that majority CSR funds are spent for activities in local areas. However, considering Inclusive Growth & Environment Sustainability and to supplement Government effort, activities are taken up anywhere in the country.

3.0 Fund Allocation & Expenditure

3.1 In line with the requirement of the Companies Act 2013, from financial year 2014-15, APCPL Board has approved to spend, two percent (2.0%) of the average net profits (to be calculated in accordance with the provisions of the Companies Act) made during the three immediately preceding financial years, for CSR & Sustainability activities.

3.2 Funds allocated are earmarked for CSR & Sustainability programs/ activities approved by CSR & Sustainability Committee . APCPL endeavours to fully spend the funds annually allocated for CSR & Sustainability activities/ projects with subsequent reviews.

3.3 Surplus arising out of any CSR & Sustainability projects/ activities does not form part of business profit of APCPL.

4.0 Planning & Implementation

4.1 CSR & Sustainability projects/ activities are undertaken with a view to achieve improvement in living standard of communities. Accordingly plans are made to achieve these goals and activities to be undertaken on annual basis at each location are identified.

4.2 CSR & Sustainability projects/ activities are generally formulated based on Need Assessment Surveys (NAS) and/or inputs from Panchayat, district administration, neighbourhood community and various stakeholders including public representatives, Village Development Advisory Committee (VDAC) and other participatory forums etc.

4.3 The plans may be dovetailed with specific government programmes to achieve the desired targets. Adequate care is taken to ensure that there is no duplication of CSR & Sustainability projects with that of government's programmes.

4.4 As far as possible CSR & Sustainability activities are taken up in project mode. Every effort is made to ensure that approved activities are implemented within schedule. Once an activity is approved and funds are allocated, the activity is continued and is carried forward in subsequent years until completed.

4.5 Participation of Panchayat, community & local authorities is encouraged during planning, implementation & monitoring of CSR & Sustainability projects, for their acceptance, support & recognition of CSR initiatives.

4.6 CSR & Sustainability activities are implemented through specialised and experienced agencies such as Government / Semi-Govt. Organizations, Educational /Academic/ Autonomous Institutions, Non Government Organizations (NGO), Employee Volunteering Organizations (EVOICE), Trusts, Self Help Groups, Professional Consultancy Organizations, Contracting Agencies etc.

5.0 Monitoring, Evaluation & Reporting

5.1 Monitoring: Monitoring is done to ensure timely completion of activities and to achieve deliverables. Regular reviews are done at Unit Level, wherein bottlenecks are identified and remedial measures are taken. Periodic MIS on status and issues of CSR & Sustainability activities is put up to appropriate level and intervention is sought wherever required. Review of companywide CSR & Sustainability activities and budget utilization is done at corporate level.

5.2 Evaluation: Effectiveness of CSR & Sustainability programme is assessed through both internal & external evaluation. Internal audits are carried out to verify effectiveness of implementation. Social Impact Evaluation (SIE) is done through credible external agencies for gauging impact of CSR & Sustainability initiatives. Findings of SIE form the basis for initiating corrective actions and formulating future schemes/ plans.

5.3 Reporting: APCPL brings out its Sustainability Report annually, based on globally acclaimed Reporting Framework. CSR & Sustainability activities undertaken by APCPL are disseminated to the stakeholders through Company's Annual Report & Sustainability/ Business Responsibility Report etc. These reports are made available in public domain by uploading them on APCPL website and to internal stakeholders through intranet

5.4 Communication to Stakeholders: The Policy for CSR & Sustainability is uploaded on APCPL's website and intranet for access to external & internal stakeholders. CSR & Sustainability initiatives are communicated to stakeholders through local/ national print & visual media, conferences, workshops and other forums. Internal workshops, training, news bulletins, brochures, intranet etc are extensively used to create awareness about CSR & Sustainability initiatives, among internal stakeholders.

6.0 Policy Review:

Policy shall be reviewed every year.

Indicative list of CSR & Sustainability projects/ programs/ activities

Item No	Schedule VII	CSR & Sustainability projects/ programs/ activities
I	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and safe drinking water	<ul style="list-style-type: none"> • Mobile Health Clinics, Medical Camps, training/ awareness programs on health, sanitation etc. • Infrastructure / assets for hospitals / PHCs etc • Support for Tuberculosis (TB) Control Program • Disability Rehabilitation Centre (DRC) • Community/ individual toilets, drains etc. • Water supply systems like piped water, hand pumps/ tube wells, bore wells, etc. • Supply of drinking water
II	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	<ul style="list-style-type: none"> • Distribution of study materials, Scholarships / financial assistance to meritorious students • Infrastructure / assets in Govt./ Govt. funded and other schools that charge equivalent fees • Infrastructure for education, Skill Development Centers, Industrial Training Institutes etc • Vocational trainings, Adult Education, Coaching classes, Awareness programs • Formation of Self Help Groups • Support for agriculture produce/ business • Medical / Veterinary camps for livestock
III	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	<ul style="list-style-type: none"> • Vocational Training, Formation of women SHGs • Adult Education / Awareness Programs / Workshops/ seminars on Gender Equality • Distribution of Bicycle for women empowerment • Infrastructure development of homes / hostels for women, orphans, old age etc. • Other measures for reducing inequalities faced by socially and economically backward groups
IV	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water.	<ul style="list-style-type: none"> • Activities for protecting & maintaining environment (Air, Soil and Water). • Initiate & support measures to conserve natural resources (by reduction, reuse and recycling), optimize usage of renewable energy, increase energy efficiency and reduce GHG emissions. • Activities for Biodiversity Conservation, protection of Fauna & Flora & restoring ecological balance. • Promoting Animal Welfare & Agro Forestry. • Awareness / training programs / workshops / seminars on sustainable development
V	Protection of national heritage, art and culture including restoration of buildings and sites of	<ul style="list-style-type: none"> • Rural cultural meets. • Programs for Protection of national heritage including restoration of buildings and sites of historical importance

	historical importance and works of arts; setting up public libraries; promotion and development of traditional arts and handicrafts.	<ul style="list-style-type: none"> • Protection, promotion and development of traditional arts & culture, handicrafts etc.
VI	Measures for the benefit of armed forces veterans, war widows and their dependents	<ul style="list-style-type: none"> • Activities for the benefit of armed forces veterans, war widows and their dependents
VII	Training to promote rural sports, nationally recognized sports, Paralympics sports & Olympic sports	<ul style="list-style-type: none"> • Rural sports, competitions • Coaching camps, distribution of Sports kit • Promotion of traditional / nationally recognized sports, Paralympics sports & Olympic sports • Sports related infrastructure
VIII	Contribution to PM's National Relief Funds or other similar funds set up by the central government for socio economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;	<ul style="list-style-type: none"> • Relief to victims of Natural Calamities like earthquake, cyclone, drought, fire & flood • Activities for support to welfare of the Scheduled Castes, the Scheduled Tribes, backward classes, minorities and women
IX	Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;	<ul style="list-style-type: none"> • Support for technology incubators
X	Rural development projects.	<ul style="list-style-type: none"> • Construction/ Renovation of: <ul style="list-style-type: none"> ○ Community Centres, Bus shelters ○ Internal / approach Roads, culverts, etc. ○ Ponds/ lakes etc. • Renewable energy projects • Strengthening Electrical infrastructure • Other Social Infrastructure
XI	Slum area development.	<ul style="list-style-type: none"> • Activities for slum area development
<p>Note* Any other activities based on need & requirement of the stakeholders could be taken up in-line with the provision of Companies Act 2013.</p>		