

एसजेवीएन लिमिटेड

(भारत सरकार एवम् हिमाचल सरकार का संयुक्त उपक्रम)

(मिनी रत्ना शेड्यूल 'ए' पीएसयु)

SJVN LIMITED

(A Joint Venture of Govt. of India & Govt. of H.P)
(A Mini Ratna Schedule 'A' PSU)



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SJVN's COMMITMENT IN SUPPORT OF U.N.G.C. PROGRAM

SJVN LTD. (A joint venture of Govt. of India & Govt. of H.P.) is a leading Mini-ratna Public Sector Undertaking, engaged in construction, operation & maintenance of large Hydroelectric Project in India and abroad.

The company confirm its commitment to UNGC's Ten Principles and intend to advance the same within the sphere of influence and day to day operations.

It has also taken a lead in promoting the principles by becoming the member of local network.

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Global Compact Network

Sr. No.	Global Compact Principle	Commitment / Policies Action taken & Impact achieved and/ or plans for the upcoming year	
1	Business should support and respect the protection of internationally proclaimed human rights	Commitment /Policies	<p>SJVN believes to manage the business processes to produce an overall positive impact on society which includes not only its human resources but also the local communities around the organisation, stake holders and the environment within which it works. SJVN integrates its vision plan with development of its human resources as well as an overall positive impact on society and environment It is committed to contribute towards better society and a cleaner environment as part of its "Corporate Social Responsibility" Policy.</p>
		Action Taken	<p>SJVN maintains transparency in implementation of its human resource development and welfare schemes. The schemes are documented and circulated amongst the employees. The information is also uploaded on SJVN's website. Apart from Public Information cells (PICs) in all projects with a view to make the employees conscious of their rights it has also organised programmes on "Right to Information Act", Further in order integrate the objectives on social progress, effective protection of the environment, prudent use of natural resources, high and stable levels of economic growth and employment to ensure better quality of life for everyone, now and for generations to come, SJVN has adopted various socio economic development plans and programmes for the local communities around its projects.</p> <p>The following are the focus area of the Corporate Social Responsibility (CSR) activities:-</p> <ul style="list-style-type: none"> ➤ Basic Infrastructure facilities; ➤ Education; ➤ Health and Hygiene; ➤ Safe drinking water ; ➤ Skill Development; ➤ Assistance to weaker sections of the society; ➤ Assistance during natural calamities, disaster and mishap; ➤ Promotion of cultural activities and ➤ Clean environment

		Outcomes	<p>The Employees of SJVN and the general public in common is now aware of their rights. As a Corporate Social Responsibility (CSR) measure SJVN has till date spent Rs. 1055 millions for social and economic development of the local communities. SJVN has also uploaded reports on such activities in public domain. It has also involved state govt for carrying out developmental activities in new projects. As per state govt. norms SJVN is depositing 1.5% of project cost in installments every year with the state government for local area development works. The developmental activities are now being implemented on the basis of resolutions received by local communities and stake holders. It is strengthening partnership amongst local communities, local govt and SJVN. By this SJVN has established good relations with the local communities. SJVN has also raised the local community's socio economic standards in the project areas which is depicted in the Social Impact Evaluation (SIE) studies reports prepared by external independent agencies of Himachal Pradesh University and an internationally renowned agency SMEC Pvt. Limited New Delhi. The World Bank has also appreciated the social measures under taken by SJVN as exemplary for other hydro power projects in India.</p>
		Plan for upcoming year	<p>For the upcoming years SJVN is in the process of improving its strategy for Human Resource Development. With a view to improving the socio economic standard of project affected families of its upcoming projects it is improving its Resettlement and Rehabilitation Policy in light of National Rehabilitation and Resettlement Policy, 2007 of Govt. of India. Further with a view to integrate social and environmental issues of the local communities and produce positive impact on them it is formulating "Corporate Social Responsibility" in line with the guidelines of Department of Public Enterprises of Ministry of Heavy Industries & public Enterprises, GOI. Under its proposed Corporate Social Responsibility (CSR) Policy SJVN has a plan to invest 0.5 to 2% of its net profit on social developmental activities which will be over and above all ongoing community development plans.</p>
2.	And make sure that they are not complicit in human rights abuse.	Commitment /Policies	<p>SJVN believes to obviate the complicity on human resource development issues as well as on social development issues of the local communities.</p>

		Action Taken	SJVN involves the maximum participation and deliberation on the policy issues for human resources development to obviate complicity. As far as the developmental plans for the local communities are concerned it encourages people participation by ways of disclosure of the draft social development plans in the public meetings for their views: public in project areas have actively participated in the monitoring of the ongoing social development plans and are also actively involved in grievance redressal
		Outcomes	The complicity on human resource development, human rights and social development issues do not exist in the corporation.
		Plan for upcoming year	To improve the strategy for betterment and to create a prosperous and peaceful environment within and outside the organisation. Strategies are being developed.
3	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining	Commitment/ Policies	SJVN respect freedom of association and recognizes the Apex Unions & Associations and recognizes the Apex unions & Associations as bargaining agents in the collective bargaining process and a policy has already drawn in this regard.
		Action Taken	Six Apex Unions/ Associations exist in SJVN as bargaining agents and have been recognized in the collective bargaining process for that periodic meetings are organized.
		Outcomes	Smooth and congenial Industrial Relation in SJVN.
		Plan for the up Coming year	Bipartite discussion will be held at the earliest after receiving of charter of demand in addition to periodical meetings. The issues are resolved immediately to create belongingness amongst each and every employee.
4.	The elimination of all forms of forced and compulsory labor.	Commitments/ Policies	Forced and compulsory labor is banned in SJVN. For all the Labor Laws enforced as and where applicable.
		Action Taken	All the statutory provision exists to ban the forced and compulsory labor are being strictly implemented.
		Outcomes	No forced and compulsory labor engaged.
		Plan for the Upcoming year	To continue with the present policies and to formulate even more better policies for elimination of forced and compulsory labors.
5.	The effective abolition of child labor	Commitment/ Polices	The act regarding child labor (Prohibition and Regulation) 1986, of Govt. of India is successfully implemented in SJVN.
		Action Taken	All the provisions of the said Act are strictly adhered.
		Outcomes	No child labor is allowed to work in SJVN.
		Plan for upcoming year.	To continue with the present status and to formulate even more better policies for abolition of child labor.

6	And the elimination of discrimination in respect of employment and occupation	Commitment/ Policies	IN SJVN, all the labor laws regarding elimination of discrimination in respect of employment & occupation are strictly implemented in letter and spirit.
		Action Taken	Strict compliance of all the labor laws is ensured in SJVN.
		Outcomes	No such discrimination in employment and occupation reported.
		Plan for upcoming year	To continue with the present policies and to formulate even more better policies to eliminate the discrimination in respect of employment and occupation.
7	Business should support a precautionary approach to environmental Challenges.	Commitment/ Policies	<p>SJVN Complies with all the relevant Acts like Environment (Protection) Act, 1986, Forest (Conservation) Act, 1980 etc. Required for Environment and Forest clearances of Ministry of Environment and Forest, Govt. of India. SJVN is adhering to the guidelines stipulated in the Environmental Impact Assessment Notification 1994 amended in September 2006. SJVN is committed to sustainable development through hydropower with strong environment conscience and corporate vision of SJVN.</p> <p>“To make India a Fountainhead of Hydro Power and the Energy Source and is accountable to take care of environment, meet community needs and deliver sustainability on the bedrock of sound commercial principles”.</p>
		Action Taken	<p>As per the guidelines of Ministry of Environment & Forest, Govt. of India (MOEF); SJVN undertakes comprehensive Environmental Impact Assessment (EIA) studies for its projects through National Repute Consultants.</p> <p>Based on the recommendations of EIA studies, Environment Management Plans (EMP's) are formulated for mitigation of the predicted/ anticipated adverse impacts and to cater to all the aspects of Environment conservation with respect to hydropower development. Major EMPs which have been/are implemented in SJVN projects are as under:</p> <ul style="list-style-type: none"> • Compensatory Afforestation (CA) • Catchment Area Treatment Plan (CAT Plan) • Biodiversity Conservation/ Management Plan • Green Belt Development • Fishery Management • Public Health Delivery system • Solid Waste Management • Provision for fuel and Energy conservation Measures. • Disposal and Rehabilitation of Muck/Muck Management Plan. • Landscaping and Rejuvenation of Construction areas. • Resettlement & Rehabilitation Plan etc.

		Outcomes	<ul style="list-style-type: none"> Various Mitigation measures such as restoration of dumping area, quarry sites and job facilities in project affected areas during and after the completion of the projects also landscaping and beautification of the areas and biodiversity conservation of various other environment management activities at SJVN project sites for the minimization of environmental impacts at projects.
8	Undertake initiatives to promote greater environmental responsibility	Commitment/ Policies/Goals	<ul style="list-style-type: none"> SJVN's Corporate Environment Policy is aligned to international Standards on Occupational Health & safety (ISO 18001-2007) & Environment Management systems (ISO 14001-2004) and prescribes Continuous Improvement to minimize the impact of Business Operations on the Environment. All SJVN Units are envisaged to be certified to these standards, after stringent audits by certifying agencies of International Repute. The Environment Policy also makes the Business Partners & Suppliers to environmentally aware.
		Action Taken/Implementation	<ul style="list-style-type: none"> The implementation of Environmental Management Plans is monitored at Project Units, Corporate Office through Monitoring Committees constituted for this purpose. The views/suggestions of the committees are taken into account during execution of the plans. Continually striving to raise Environmental awareness, SJVN continuously organizes workshops/trainings to sensitize the employees on environmental and social concerns. Further, SJVN also contributes to heighten Environmental Awareness amongst its suppliers and construction contractors by forcing them to furnish Environmental Data for their Activities/ Products. To meet the needs and aspirations of the Project Affected Families (PAF's), SJVN has come up with its own Resettlement and Rehabilitation Policy in consultation with Himachal Pradesh Govt., which is in line with National Rehabilitation and Resettlement Policy NRRP (2007) of Govt. of India. SJVN has undertaken post-construction Environmental & social Impact Evaluation of Nathpa Jhakri HEP Station to monitor the Environmental Management Plan and social development interventions implemented at the project. SJVN is an environment friendly company in all its activities, products and services, providing safe and healthy working environment to all stakeholders. SJVN has established a comprehensive Environmental Management system (EMS) at Rampur HEP with objectives and procedures for evaluating progress, minimizing negative impacts and transferring good practices. SJVN has also secured ISO certification for its projects: <ul style="list-style-type: none"> ISO 14001:2004 for its Nathpa Jhakri HEP. ISO 18001:2007 & ISO 14001:2004 for its Rampur HEP.

		Outcomes	<ul style="list-style-type: none"> • Successful implementation of various environmental management plans and social Development interventions at the projects. • Further, post-construction Environmental monitoring of Nathpa Jhakri HEP has indicated that Environment Management Plans (EMPs) have been by and large successful in meeting the objectives of Environment protection and up-gradation. • In Recognition of SJVN's contribution to sustainable development, SJVN's Corporate Unit was conferred with 'Greentech Environment Excellence Gold Award-2010'. The Award recognized the performance of SJVN in two Critical Aspects of Sustainability: Environmental & Socio-Economic Management.
9	And encourage the development and diffusion of environmentally friendly Technologies.	Commitment/ Policies/Goals	<ul style="list-style-type: none"> • Hydroelectric projects are renewable and Environmental friendly source of energy. No waste water is generated during the electricity generation. Water from the river is diverted through the water conductor system and after passing through the turbines the same is released into the river without any net consumption and any pollutant getting generated. • Hydropower projects are known to be non-polluting, environmentally benign and have an edge over other sources of power generation which use nonrenewable conventional resources like coal and oil, which are depleting at a faster pace and also have the associate problems of emissions and waste Disposal.
		Action Taken/Implementation	The implementation of Environmental management plans and other conditions stipulated by Ministry of Environment & Forest (MoEF) while according the environmental clearance to the project including monitoring of air and water Quality during construction phase of the project.

		Outcomes	<ul style="list-style-type: none"> • Apart from speedy development of Hydropower projects of SJVN, it has given equal importance to execute and operate its projects in an environment friendly and socially responsive manner. • Successful implementation of Environment Management Plans at projects under Construction. • During the Previous Year, Protection & Stabilization of one of the Muck Disposal Sites at Rampur HEP by Using Geo-Green Erosion Control Blankets which help in Increased Moisture Retention, Covering of Ground Undulations & Reduces Surface Erosion by using Eco-Friendly Coconut Coir Material. • Significantly, SJVN has also taken initiatives under Clean Development Mechanism (CDM) and vigorous efforts are being made to achieve the Milestones in this area. SJVN is in the process of obtaining Carbon Finance for its Rampur Hydro Electric Project (412 MW) located on River Satluj, Rampur, Himachal Pradesh, India, for which Host country approval has been obtained from Ministry of Environment & Forests in February, 2010. Validators are in process of submission of validation report to United Nations Framework Convention on Climate Change (UNFCCC). The project is expected to reduce 9.8 Million Tonnes of CO₂ equivalent in the first seven years of operation. • Reinforcing SJVN's commitment to utilize renewable energy sources, SJVN has also planned to venture into setting up of a Wind Power Project of 50 MW.
		Plans for the Upcoming Year	<ul style="list-style-type: none"> • Formation of Environmental Impact Assessment/ Environment Management Plan (EIA/EMP) for future Projects and successful implementation of Environmental Management Plans at projects under construction.
10.	Business should work against all forms of Corruption including extortion and bribery.		<p>SJVN Ltd. is committed to corporate functioning, which is free from corruption in all forms including extortion and bribery. SJVN follows an anti-corruption and anti – bribery policy, since its inception. SJVN, being a Central Public Sector Enterprise (CPSE), falls under the purview and jurisdiction of the Central Vigilance Commission (CVC). The CVC provides a framework for preventing and reducing corruption based on clear rules, transparent and effective control systems, and accordingly SJVN follows all measures, instructions and guidelines as issued by CVC, as an anti-corruption and anti – bribery policy.</p> <p>SJVN recognizes that bribery and corruption distorts</p>

			<p>competition and investment, hinders free and fair trade, retards development process, deteriorates organizational climate and represents an unacceptable cost to the business and general public. Therefore, SJVN aims to :</p> <ul style="list-style-type: none"> • To promote and maintain Transparency, Accountability and Efficiency in the Organization. • To improve the overall functioning of the Organization, by improving and introducing, more fair and transparent, functional systems, suitable to cater present requirements. • To adopt and implement transparent systems and strive hard to improve the organizational working in all spheres, by leveraging technology, increasing transparency in the decision making process through effective use of information technology in the discharge of various organizational functions, to ensure corruption free organizational environment. • To introduce system manuals for consistent performance, and also to tackle eventualities, if any. • To ensure fair competition amongst various bidders / tenderers, in the procurement process. • To deter illegal payments and corrupt practices in the procurement process. • To ensure, as far as is practicable, that all transactions made are in compliance with all applicable laws of the land, regulations and agreements, to which SJVNL is a party. • To ensure corruption free conduct by SJVNL Officials. <p>The Central Vigilance Commission (CVC) has jurisdiction and powers in respect of matters to which the executive powers of the Union of India extend, and therefore, SJVN being a Central Public Sector Enterprises (CPSE), also falls under the purview of CVC. All vigilance functions in SJVN are being carried out as per the instructions and guidelines of CVC.</p>
		Action Taken	<p>The vigilance activity in SJVN forms an integral part of the managerial function.</p> <p>Compliance of CVC instructions regarding E-Procurement for publication of tender notices and contract awards, are being ensured. Tender are being uploaded on website "www.tenders.gov.in" portal in addition to SJVNL website "sjvn.nic.in". Complete tenders are now available for downloading</p>

			<p>from the net. Uploading of details of work tenders awarded which are above a threshold value, is also being done.</p> <p>As a step forward for improving vigilance administration and in order to bring about greater transparency and accountability in the functioning of CPSEs, by leveraging technology, complete implementation of E - Procurement in SJVN, at 1500 MW NJHPS and 412 MW Rampur HEP, and also at SJVN Corp. Office Shimla, except for small petty purchases / spot purchases / works for PAFs etc., was achieved during Sep. / October 2009 i.e. well before the scheduled target date of June 2010 as decided by the Ministry of Power (MOP), GOI.</p> <p>All the major payments to the Contractors above the threshold value, are also being done through E – procurement / RTGS system in SJVN; and also all the disposal of unserviceable materials etc. at the 1500 MW Nathpa Jhakri Hydro Power Station (NJHPS), is also being done through E- Disposal / Auctioning.</p> <p>In a bid to institutionalize transparency in public procurement process, in line with the CVC's instructions, the process of adopting and implementing the Integrity Pact (IP) in SJVN, is at an advanced stage.</p> <p>Further, the anti-corruption and anti – bribery policy is monitored and enforced, by taking the following listed measures :</p> <ul style="list-style-type: none"> • To study and modify the existing procedures and practices, to root out grey areas. • To ensure discharge of all regulatory functions, and to devise adequate methods of control over exercise of discretion. • To create awareness amongst SJVN employees about corruption free working and vigilance functions. • To identify areas of corruption and sensitive posts, to prepare agreed list and list of doubtful integrity. • To ensure preparation of manuals / standards operating procedures. • To ensure E – Governance in as much functional spheres as possible. • Through Surveillance / Detection / Collection of intelligence / source information / vigilance information; Verification / Investigation of the complaints; and to process the investigation reports and to recommend departmental proceedings. • By conducting regular Periodic Checks / Surprise checks. • By conducting regular Periodic Checks / Surprise checks.
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			<ul style="list-style-type: none"> • By conducting Examination of Works on CTE (CVC) pattern. • Through Periodic / Surprise quality tests on the materials. • Through various measures under (a) Preventive vigilance, (b) Detective vigilance, and (c) Punitive vigilance functions, to root out corruption, from the Organization. • To keep the CVC apprised of all developments and seek their advise wherever necessary.
		Outcomes	<p>SJVN in its endeavor to fulfill its vision, mission and objectives, has adopted conforming corporate governance practices. SJVN has institutionalized, during the last 6-7 years since SJVN started commercial generation, certain cardinal principles akin to other public sector undertakings, in areas like delegation of powers, accounting, auditing, internal control, budgeting, training and reporting which have laid the foundations for a basic financial accountability and corporate governance framework for taking forward the organization, towards strong corporate governance. As a result of SJVN's commitment towards anti-corruption and anti – bribery policy, as described in pre-paras, there is no presence of institutionalized corruption in SJVN..</p> <p>SJVN has improved considerably its financial accountability and corporate governance arrangements of the organization, and as such the risk to areas / activities of Fraud and Corruption, is minimal. However, cases of misconduct which occur some times in isolation are dealt with as per the CVC guidelines.</p>
		Plans for the Upcoming Years.	To continue the above practices, for a corruption free working environment which is transparent and accountable towards its stake holders, and further reinforce the provisions as per the guidelines of CVC.