

नेशनल बिल्डिंग्स कन्स्ट्रवशन कार्पोरेशन लिमिटेड

NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED



No. NBCC/62/2010-BS

9th June, 2010

H.E. Ban Ki-moon Secretary-General United Nations New York, NY 10017 USA

Dear Mr. Secretary-General,

I am pleased to confirm that National Buildings Construction Corporation Limited (NBCC) supports the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption. With this communication, we express our intent to advance those principles within our sphere of influence. We are committed to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Millennium Development Goals. NBCC will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles. We support public accountability and transparency, and therefore commit to report on progress within one year of joining the Global Compact, and annually thereafter according to the Global Compact COP policy.

Yours sincerely,

(ARUP ROY CHOUDHURY)
CHAIRMAN-CUM-MANAGING DIRECTOR

अरूप राय चौधरी अध्यक्ष एव प्रवस्त Philips ARUP ROY CHOUDHURY Chairman-cum-Managing Director एन०बी०सी०सी०लि० / NBCC LTD. एन०बी०सी०सी०निय / NBCC Bhawan लोवी रोड, गई हिल्ली-110003 Lodi Road, New Delh-110003



NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED

(A Government of India Enterprise) NBCC Bhawan, Lodhi Road, New Delhi-110003.

COMMUNICATION ON PROGRESS(2009-2010)

Introductory

NBCC is a Schedule-A Company, rated among top ten performing Public Sector Undertakings during the financial years 2005-06/2006-07 & 2007-08. It is a dividend paying company from the last three years. It is a debt free Company with networth of Rs.457.26 crore upto the last audited balance sheet available for the financial year 31.3.2009. NBCC has bagged 'Excellent' rating from 2003-04 to 2008-09 based on MOU parameters signed with the Government.

NBCC Commitment to the Principles of UN Global Compact

NBCC is committed to the principles of UN Global Compact in the areas of Human Rights, Labour Rights, Environment and Anti- Corruption. Understanding its responsibility, the NBCC has taken several initiatives in these areas during the previous fiscal year.

Labour Rights Initiatives

- i) Providing accommodation on austerity basis to our staff posted in North East Region(NER) together with transit camp and mess facilities. One time financial grant in lieu of furnishing is provided to our staff those posted in this region.
- ii) Staff posted in NER and J&K are allowed to avail LTC facility every year in addition to the usual provision as applicable in rest of the cases.
- iii) Corporation provides personal accident coverage to employees those posted in difficult areas i.e. NER and J&K.
- iv) A Safety Management Cell has been set up at the Corporate Office to ensure safe working conditions at the construction sites. This Cell is engaged in creating awareness through lectures and presentations on the aspect of safety.
- v) NBCC has made recruitment of local youth in NER towards capacity building and also provides employment opportunities to physically challenged persons.
- vi) Towards elimination of any form of discrimination in employment and occupation, NBCC employees are free to become member of any trade union. Elected representatives of workers and officers association are consulted for wage settlement, pay scales and welfare schemes etc. There is prohibition of employment of child labour in the organisation.

- vii) Equal opportunities for employment are available irrespective of the caste or creed and their terms and conditions are clearly defined. Employees have full freedom to leave their services at any point of time.
- viii) A Scheme allowing the employees to proceed on 5 years long leave to explore possibilities for settlement in life on their own by choosing alternative source of vocation has been implemented.

Environmental Initiatives

- i) NBCC is engaged in construction of energy efficient and green buildings such as CBI Headquarters, Pravasi Bhartiya Kendra & CSOI at New Delhi and for Coal India Limited at Kolkata. Use of fly ash bricks, provision of rain water harvesting, Solar Panel for water heating and lighting purposes is being widely catered for in its structures. A mandate has been issued at our projects sites to plant trees in nearby area apart from the contractual horticulture work.
- ii) With underlying objective of keeping the city clean and to protect the overall environmental sanitation in urban areas, NBCC has been executing solid waste management projects. Various aspects taken care of comprises collection and segregation, storage, transportation, treatment and disposal. Treatment and disposal of solid waste helps in generating green manure and also earning carbon credits.
- iii) Using Upflow Anaerobic Sludge Blanket process (UASB) technology, NBCC has implemented Sewage Treatment Plants at various locations like Agra, Ghaziabad, Faridabad, Sonepat & Simla. In this technology, the physical process involves separation of solids and gases from liquid under biological process for degradation of decomposable organic material under anaerobic conditions.

Anti Corruption Measures

NBCC has a full fledged Vigilance Division. Every year Vigilance Awareness Week is celebrated at the Corporate Office and in field offices. Vigilance Division has adopted a four pronged strategy for eradicating corruption through preventive, detective, punitive and use of IT innovation to curb malpractices and ensure transparency. 'NBCC HAS ZERO TOLERANCE FOR CORRUPTION'- a slogan is vissibly present on our Corporate letter heads and other communications.

CSR activities approved during the financial year 2009-2010

- (i) Upgradation of the present Durgabari Complex of historical importance and place of tourist attraction at Agartala, Tripura at an estimated expenditure of Rs.83 lacs.
- (ii) Metaling of Katcha Road at an expenditure of Rs. 10 lacs for SPCA, Noida a registered society, running animal hospital and providing treatment to old and abundant animals particularly controlling the stray dogs population.

Pioneering CSR Initiatives

NBCC has brought some semblance to the otherwise opaque Real Estate business. The unique transparent 'forwarding costing method' has been evolved for working out the cost to be charged from the customer taking into account the cost of land, cost of construction, cost of supervision and marginal profits. Also, the myth of 'super area' has been clearly quantified so that the buyer exactly knows what are the loadings over and above the carpet area, that he pays for. This has resulted in the possibility of offering a very reasonably priced flats to the customer in a transparent fashion and also act as a benchmark for Real Estate Industry.
