

UNGC – Communication on Progress (2014-15)

NTPC expresses its continued support for the Global Compact and its commitment to take action in this regard, as was communicated by the Chairman & Managing Director, NTPC in his letter dated May 29, 2001 addressed to Secretary General, United Nations.

NTPC has posted the brief of Global Compact and its commitment to the principles of GC on its website at www.ntpc.co.in . The principles of GC were communicated to all employees through in-house magazines, internal training programmes and posters. NTPC, a core member of Global Compact Network India, (GCNI) actively participated in the monthly meetings, Governing Council Meetings and Annual Convention of the Global Compact Network India.

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

In Workplace:

- NTPC is committed to providing a safe working environment at all its work places and promoting safety culture and safety consciousness among its employees and associates. Guidelines, rules / policies, General Conditions of Contract on Safety etc. are prepared and reviewed from time to time and circulated to all projects / stations for implementation.
- Most NTPC projects being located in remote areas, the company takes due care to provide self-sufficient townships to the employees with access to healthcare facilities through NTPC hospitals, education through NTPC operated schools and other recreation facilities. Cultural events are held at NTPC to celebrate all religious festivals as well as National festivals.
- NTPC is committed to freedom of association of its employees and the practices with regard to collective bargaining are in synchronization with the relevant statutes and global best practices in this regard. The various bipartite forums like National Bipartite Committee at apex level, Regional Joint Performance Committee at regional level and Joint plant/Project Level Councils, Shop (Department) Level Councils, Canteen Management Committees etc. at local level provide ample opportunity to employees both for collective bargaining and participative decision making.
- NTPC ensures uniform implementation of all HR policies/practices and does not indulge in discriminatory practices during selection as well as during course of employment.
- NTPC ensures prohibition of forced labour or child labour, either directly or indirectly, and there are strict safeguards in NTPC's policies as well as General Conditions of Contract to prohibit the same.

In the Community:

- NTPC, a socially responsible Corporate Citizen since its inception, started its Community Development initiatives in the form of Rehabilitation and Resettlement (R&R) program which aim to improve the overall economic status of persons displaced or otherwise affected by our projects. Each R&R programme is based on specific local requirements and is guided by extensive socio-economic surveys.
- NTPC recognized to continue community and peripheral development works covered under Corporate Social Responsibility (CSR) and Sustainability Policy where the same were closed under R&R policy. NTPC revised its CSR & Sustainability policy in 2014-15, keeping in view the changed Business environment, Global practices, Companies Act 2013 and guidelines issued from Department of Public Enterprises, Ministry of Heavy Industry & Public Enterprises. In line with the CSR & Sustainability Policy, NTPC takes up activities at Station level and Regional/ National level within items specified in policy in accordance with the items listed in Schedule VII of the Companies Act 2013.
- As most of the stations are primarily located in remote rural areas, NTPC during 2014-15 undertook activities in the neighbourhood area of stations addressing the basic needs like primary education, community health, drinking water, sanitation, vocational training, women empowerment and village infrastructure like roads, community centres , cremation sheds etc. In addition, NTPC employees participate in various activities through Employee Voluntary Organization for Initiative in Community Empowerment (EVOICE). NTPC has been taking up CSR Activities in all the major sectors, in the vicinity of its operating stations, benefitting communities in more than 500 villages.
- In the area of **Education** following activities were undertaken
 - Subsidized education to children of about 20 schools run by NTPC predominantly for community children, benefitting about 20,000 students of neighbourhood areas.
 - Launched Mobile Science labs in schools in vicinity of Darlipalli and Pakri Barwadih coal mining Project & Kahalgaon power station.
 - Taking up construction of about 25,000 toilets in schools covering 17 states and 82 districts under "*Swachh Vidyalaya Abhiyan*" across the country.
 - Merit scholarships to about 4000 students.
 - Construction of classrooms and installation of Solar Street lights at Sadhana Vidhyalaya, village Kannamangala, Ramnagara District, Karnataka.

- Solar lanterns distributed to nearly 1500 students.
 - Distribution of uniforms, books, stationery, equipments and infrastructural support to schools covering about 450 schools around NTPC stations benefiting more than 43000 students.
- In the area of **Health** following activities were undertaken
 - Subsidized healthcare to the community through company owned hospitals.
 - Support for equipments to "Impact India Foundation" for Lifeline Express Project" (camp) at Dalmau Railway station in Distt. Raebareli, U.P.
 - Support provided to Distt. Hospital, Aurangabad, Bihar for procurement of medical equipments for modular ICU.
 - Construction of Building and purchase of vehicles for Medical Service Centre at Ramkrishna Math, Antpur, Hooghly, West Bengal.
 - Mobile health clinic at 7 locations covering 80 villages providing health care facility at doorsteps to more than 50000 people.
 - About 170 Medical Health checkup camps and about 20 Eye camps organized at various locations. About 3000 surgeries were performed during these camps.
 - Regular health related initiatives in the communities around NTPC stations benefitting more than 3,20,000 individuals
 - Under **Sanitation**, 130 Individual toilets & 06 community toilets were constructed.
 - More than 100 **Animal Health** Camps & other animal health related activities were organized benefitting populations of more than 70 villages.
 - In the area of **Infrastructure strengthening** the following activities were undertaken
 - Installation of about 3900 Solar Street Lights at villages at various locations in India to promote use of renewable energy.
 - Taking up installation of about 550 Solar Lights in Sidharthnagar & Pilibhit, Uttar Pradesh and Malda, West Bengal.
 - Implementing clean lighting and cooking solutions through IDES (Integrated Domestic Energy System) under CSR in the neighbourhood communities of Barethi Project, MP benefitting 500 households.
 - Illumination & sound System at Grand Road, Puri near Talcher Kaniha.

- Construction of Community Parivarthana Bhavans for catering to the needs of SC/ST persons of Prakasam & Guntur Districts of AP.
 - Construction of Community Hall in Vivekanand College, Tundi in District Dhanbad, and Jharkhand under NTPC CSR.
 - Regular infrastructure related CSR activities during 2014-15 in the villages around NTPC stations like construction of 12 Community Centres, installation of 101 High Mast Lights/ street lights, 80 Solar Street Lights and Construction & repair of more than 50 Kms of road and other infrastructural developmental activities at various locations covering more than 110 villages.
- In the crucial area of **providing drinking water** the following activities were undertaken
 - Installation of about 650 hand pumps & bore wells in Jharkhand (Garhwa, Giridih and Dhanbad districts); Uttar Pradesh (Raebareilly, Siddharth Nagar, Jaunpur and Santrivaidya Nagar districts) and Bihar (Arrah and Darbhanga districts) and other locations near NTPC operations.
 - Piped water scheme and RO plants provided at 54 locations.
 - During extreme summers supply of water through water tankers relieved close to 45000 individuals.
 - Regular water related CSR activities around its stations covered close to 150 villages.
- In the area of **imparting vocational skills** following activities were undertaken
 - Training to about 4000 students in various ITI trades in 17 adopted ITI at various locations partnering with the State and Central Governments.
 - Regular vocational training related CSR activities in the communities around NTPC stations covered about 200 villages, benefiting amongst others close to 700 youths through skills upgradation.
 - Construction of Weavers Blocks of Common Facility Centre (CFC) in Handloom Park at Chanderi, District, Ashok Nagar, and MP.
- For **Women Empowerment** following initiatives were undertaken
 - Construction of Ladies waiting room & purchase of furniture at Government Women's Polytechnic Nedupuzha, Thrissur Kerala.
 - More than 2000 women imparted training in various vocational courses like sewing, beautician, food processing etc for self employability. Provided tool kits & sewing machines to approximately 450 women after successful training.

- Under promotion of **Art and Culture & Sports** following initiatives were undertaken
 - Taking up Preservation and conservation of 3 monuments [Group of Monuments, Mandu (MP), Excavated site at Vikramshila (Bihar), and Archaeological site, Lalitgiri (Odisha)].in association with Archeological Survey of India (ASI) and National Culture Fund (NCF) .
 - To promote **traditional art culture**, NTPC has taken up various art & culture activities covering 91 villages and more than 100 schools.
 - To promote **Rural Sports** Rural Sports Meet and various sports events covered nearly 200 schools in about 175 villages.
 - Funds allocated for construction of Sports Complex at Badarpur Thermal Power Station for community.

- Apart from the above NTPC, was prompt in extending substantial financial support/ activities for Relief during **Natural Calamities**
 - Financial support and flood & drought relief activities at various affected region by nearby NTPC stations.
 - Financial Support for relief during Hudhud Cyclone and floods affected areas of Andhra Pradesh.
 - Financial support for Uttarakhand Flood Relief Projects.

- **NTPC Foundation**, registered in December 2004, is engaged in serving & empowering the physically challenged and economically weaker section of the society.
 - For providing IT education to physically & visually challenged students, in addition to Information and Communication Technology (ICT) centres established earlier at Delhi University and four Govt. Blind Schools, Ajmer, Lucknow, Thiruvananthapuram and Mysore, new ICT Centres established at Gauhati University Guwahati and Devi Ahilya Vishwavidyalaya, Indore benefited approx. 40 students during 2014-15.
 - Directly Observed Treatment cum Designated Microscopy Centre (DOTs cum DMC) with Mobile ambulance facilities being operated at 11 NTPC hospitals under Revised National Tuberculosis Control Programme (RNCTP) that cater to villages upto 25-30Km have benefited about 5000 cases.
 - Disability Rehabilitation Centre (DRC) at NTPC Tanda, Rihand, Korba, Dadri and Bongaigaon established in collaboration with National Institute for the Orthopaedically Handicapped (NIOH), under the Ministry of Social Justice and Empowerment, Government of India has benefited about 3200 physically challenged people.

Principle 2: Make sure that they are not complicit in human rights abuses.

- NTPC respects and, at all times, makes conscious effort to safeguard the human rights.
- It privately and publicly condemns any instances of systematic and continuous human rights abuse.
- It continually consults within and outside the company with relevant stakeholders including contractors, as part of a human rights due diligence process;
- It raises awareness within the company of known human rights issues within the company's sphere of influence;
- Human resource management practices are constantly reviewed to ensure transparency and to ensure protection of Human rights.
- HSE (Health, Safety and Environment) related policies / practices are also constantly reviewed to ensure that they are in sync with global norms, local statutes and industry best practices.
- Policies and practices are constantly updated to ensure that no violation of Human Rights takes place either directly or indirectly.

LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

- NTPC is one of the most preferred employers in the country and its employees enjoy complete freedom of association. The practices as regards the collective bargaining rights of workmen are in sync with the provisions of Trade Unions Act, the governing statute on the issue.
- At Company Level, an apex level forum consisting of employer and employee representatives' viz. National Bipartite Committee (NBC) is in place to discuss, negotiate and bargain on the issues like productivity, remuneration, benefits/facilities etc. concerning the workmen.
- At Regional level, Regional Joint Productivity Council (RJPC), consisting of employer and employee representatives is operational.
- Similarly, at Project Level, Plant Level Committee (PLC), at shop floor level, Shop Level Council (SLC), Canteen Management Committee (CMC), Township Advising Committee (TAC) and House Allotment Committee (HAC) etc. are functional with representation from employer and employees for facilitating the concept of Participative Decision making.

Principle 4: The elimination of all forms of forced and compulsory labour

- NTPC Limited has well laid down recruitment/manpower engagement system. The manpower working in NTPC enjoys complete freedom to join and leave the organisation as per its own volition. The company not only adheres to international conventions and statutory provisions on employment, but also constantly upgrades its practices on employee engagement, as per emerging scenarios and prevalent best practices.

Principle 5: The effective abolition of child labour

- As a responsible corporate citizen, NTPC ensures prohibition of engagement of child labour in its plants and offices. Our service rules stipulate that minimum age for employment in NTPC is 18 years.
- The bidding/ contract documents etc. also explicitly prohibit engagement of child labour. Further, NTPC's plants being high security installations, the entry is regulated through issue of security gate pass for workers. Thorough preventive check is done at the time of issuing gate passes, to ensure that no contracting agency deploys child labour in NTPC's premises.

Principle 6: The elimination of discrimination in respect of employment and occupation.

- In NTPC, there is no discrimination based on caste, creed, religion, gender or place of origin etc., in engagement of manpower or remunerations.
- Compliance of various statutes like Minimum Wages Act, Equal Remuneration Act, Payment of Wages act etc., which are aimed at ensuring equality in terms of wages, working conditions etc. is ensured.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges

- NTPC, since inception, has been proactive in addressing environmental concerns. It has identified Environment Management as a thrust area to achieve excellence and aims to strengthen its position as a leader in environment protection area. To meet the environmental challenges of 21st century and beyond, sound Environment Management practices and advanced environment protection systems have been adopted to minimize impact of power generation on environment. NTPC with the goal of achieving sustainable development of the power sector in the country has taken a number of dedicated and growth oriented measures for improvement in the areas of environment management in its various units while following the principle of "3 Rs" (Reduce, Recycle and Reuse). All NTPC units have been ISO 14001 certified by reputed National/International certifying agencies.
- In order to monitor key environmental parameters of ambient air and stack emissions continuously on real time basis, automation in monitoring techniques

has been taken up. NTPC is a leader in the installation and operation of 67 nos. of Ambient Air Quality Systems to monitor air quality around its power plants and access of data has been provided to Central Pollution Control Board on real time basis. Installation of Continuous Emission Monitoring System (CEMS) to monitor emissions of SO₂, NO_x and CO₂ in all its existing operating units is in advance stage and additionally installation of Effluent Quality Monitoring System (EQMS) to monitor effluent quality on real time basis is also taken up..

- In order to develop scientific data base for betterment of environment protection around its power projects, various scientific studies are being taken at all NTPC Stations.

Principle 8: Undertake initiatives to promote greater environmental responsibility

- The sustainability agenda of NTPC addresses all aspects related to sustainable development. NTPC has taken up various projects for promotion of renewable energy, bio-diversity, energy management, waste management, water management, and air emissions. Major activities carried out under sustainable development included plantation of more than 2 lac saplings in and around NTPC plants, installation of roof top solar PV, solar street lights, rain water harvesting, bio-methanation plant, vermi composting, conversion of domestic waste in organic fertilizer, studies like pollutant source apportionment, human health risk assessment and post environment impact assessment.
- NTPC has taken a number of initiatives towards protection of the environment by providing advanced environment protection control systems, regular environment monitoring and judicious use of natural resources, adoption of higher energy efficient technologies such as super critical boilers for the upcoming green field projects, use of blended coal etc in existing brown field projects, besides adopting state of the art environmental technologies.
- NTPC has installed advanced Environmental Protection and Pollution Control Systems such as High Efficiency Electrostatic Precipitators to combat air pollution in its coal based units and Ash Water Re-circulation Systems (AWRS) and Liquid Waste Treatment Plant (LWTP) and Sewage Treatment Plant (STP), to combat water pollution and conserve water in its various units In order to monitor, and continuously strive to improve environmental performance. It has taken up comprehensive renovation and modernization of its air pollution control systems to enhance the efficiencies to further reduce the pollutants emissions.

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

- NTPC started its journey in 1975 and in order to increase its efficiency of power generation while conserving resources, has been continuously evolving in technology and has migrated from 200 MW units, to 500 MW units and then to 660 MW supercritical technology units and now all its 4th generation new power

plants are envisaged with 800 MW super critical technology units. The company envisages augmenting its capacity, albeit, in a minor way by installing solar power systems and micro hydel power systems attached to its thermal power plants wherever possible so as to encourage garnering of renewable energy resources.

- In addition to embracing the principle of 3R's,(Reduce, Reuse, Recycle) in the area of water conservation also NTPC is planning all its 3rd and 4th generation plants with near zero discharge capability and is also in-principle embedded the rain water harvesting systems in all its existing and upcoming power plants. Further, in order to maximize energy sent out for National use NTPC has also commissioned 4 Biomethnation plants as pilot projects.
- NTPC has so far planted more than 21 million trees not only in and around its locations but also in other locations in association with State Authorities in order to increase green cover to act as carbon sink for the country.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

- The Company has a Vigilance Department headed by Chief Vigilance Officer (CVO) who is a nominee of the Central Vigilance Commission (CVC). The Vigilance Deptt. consists of 04 Units, namely Corporate Vigilance Cell, Departmental Proceeding Cell (DPC), Management Information system Cell, Technical Cell (TC). These units deal with various facets of Vigilance Mechanism. Exclusive and independent functioning of these units ensure transparency, objectivity and quality in vigilance functioning. The Vigilance Department submits its reports to Competent Authority including the Board of Directors. The CVO also reports to the CVC as per their norms.
- **Implementation of Integrity Pact**
As suggested by the CVC, the Integrity Pact has been implemented in NTPC for enhancing transparency in the tenders. The Integrity pact is being implemented for all Contract values exceeding Rs. 10 Crores and 03 Independent External Monitors have been appointed by NTPC after approval of the Commission for monitoring contracts exceeding Rs 100 Crores.

Implementation of Fraud Prevention Policy

A Fraud Policy has been formulated and implemented in NTPC since 2006. Nodal Officers have been appointed. The cases being referred by the Nodal Officers are investigated immediately to avoid/stop fraudulent behaviors as defined in "Fraud Policy".

- **Complaint Handling Policy**

As per advice of CVC, Complaint Handling Policy has been approved by Management on 31st July, 2013 and the same has been widely circulated all over NTPC through NTPC Intranet.

- **Whistle Blower Policy**

Whistle Blower Policy has been approved in November, 2013 and has been widely circulated to the employees for information.

- **Policy for Banning/Suspension of Business Dealings**

Uniform Policy of suspension of business dealings with agencies found indulging in corrupt practices has been implemented in NTPC w.e.f. 27.03.14 and all Heads of Projects have been advised to sensitize the working contractors and suppliers about its salient features

- **Preventive Vigilance Workshops**

As a part of preventive vigilance exercise advocated by the CVC, Preventive Vigilance Workshops are being conducted every year to sensitize the employees about sensitive points in work areas and their role in prevention of corruption.

- **Celebration of Vigilance Awareness Week**

Pursuant to the directive of the CVC contained in Circular No.014/VGL/048/202018 dated 30.09.2014, Vigilance Awareness Week was observed from October 27, 2014 to November 01, 2014 in NTPC, Corporate Centre, Projects/Stations, Offices, Subsidiaries and Joint Venture Companies of NTPC sites and Inspection Offices. The focus of Vigilance Awareness Week as per directives of the CVC was "Combating Corruption-Technology as an enabler". At Corporate Centre on October 30th a Talk was delivered by Central Vigilance Commissioner – Sh. Rajiv at NTPC Power Management Institute, Noida followed by an Interactive Session attended by CMD, Directors, and senior officials of NTPC

- **Filing of Annual Property Returns as per Lokpal & Lokayukta Act 2013 :**

As per Govt. directives new software has been developed to facilitate employees to e-file their PRs as on 01.08.2014 & 01.04.2015. As per directives of CVC /Department of Personnel & Training, issuance of vigilance clearance has also been linked with the submission of Annual Property Returns by the employees.