



**JHABUA
POWER**

JHABUA POWER LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

Preamble

At Jhabua Power Ltd, Corporate Social Responsibility (CSR) has been an integral part of the mainstream of the Organization. After the acquisition of the Company by NTPC Limited, as its JV, the existing policy is required to be redesigned (*in line with the adopted CSR policy in NTPC & its JVs*) with a view to improving the lives of communities, around the plant.

At JPL it is believed that building capabilities among the communities may help in realizing their potential. This has enabled us to fulfill our commitment to being a socially responsible corporate citizen.

The main objective of this CSR policy are as:

- To deliver business and environmental value through projects which are beneficial for business and larger ecosystem.
- To ensure sustainable power development by ensuring minimal wastage across operations.
- To actively contribute towards societal development.
- To lead the sector in the areas of resettlement and rehabilitation and environment protection including effective ash-utilization, peripheral development and energy conservation practices.

Purpose

To involve the surrounding communities in our operations and to bring positive change in their lives through holistic, sustainable, and integrated development.

Guiding principles

The following are guiding principles for JPL CSR activities:

- **Need-based and sustainable approach**
 - Based on need assessment the activities will be identified with participation of the Community.
- **Cost-effective with good mileage**
 - To adopt appropriate solutions to make the CSR activities more effective, cost-efficient and impactful with good mileage.
- **Strategic alignment**
 - With optimization of available resources in the implementation of CSR activities, preference to be given to the CSR models supporting JPL's strengths, capabilities





and domain knowledge.

Measurement and feedback based outcome centric

CSR activities will have pre - defined measures to assess impacts beneficiaries. there may be an independent, third-party assessment and feedback will be a key input for redesignand / or rollout of further initiatives.

NITI Aayog and MoCA, GOI have mapped the Sustainable Development Goals (SGDs) in local Indian context. JPL CSR activities shall be suitably aligned to the same.

CSR Governance:

Station level CSR Committee shall be formed as per the applicable laws and it shall be responsible for the planning, formulation, monitoring and drafting of the CSR policy and various projects/activities undertaken under the policy. The Head of HR will hold overall responsibility at station level. On this basis, the CSR Committee shall formulate the CSR policy and monitor overall implementation of CSR activities. The role of the Station Level Committee and CSR Committee shall perform the following activities:

Role of Station level CSR committee

- Planning, Formulation of proposal and budget for station level CSR activities on annual basis.
- Monitoring and review of implementation of CSR projects/activities undertaken at station level.
- Action taken report for the CSR activities shall be placed before the CSR Committee.

Role of CSR committee

- Review the proposals submitted by the station level CSR committee for CSR activities and providing approvals.
- Review the activities done at station level and their outcome.
- Recommendation and advice on CSR activities.
- Review CSR policy from time to time.

CSR Programme – Selection, Design, Delivery, Monitoring:

JPL shall undertake activities mentioned in Schedule-VII, Section 135 of Companies Act is mapped in *Table - I*. Activities mapped to Schedule-VII, Section 135 will be included. Majority of CSR programs taken up, shall be need based and tailored.

The Company may undertake the CSR activities, as approved by the CSR Committee by itself or through partnerships with such reputed organizations/NGOs/GOs as approved by the CSR Committee.

The company will ensure following steps for choosing its CSR partner





- The prospective organization (Government organization (GO)/non- Government organization (NGO) / must possess adequate technical knowhow and domain expertise in the relevant development vertical with properly trained and experienced core CSR professionals in the team.
- Prospective organization must have at least 15 years of field and working experience in continuation with proven track record at the time of association with JPL as partner.
- Prospective organization should have audited financial reports of past 10 years in continuation.
- The applicant organization must not have any political or religious or any discriminating genesis or affiliation.
- The Prospective organization (GO/NGO) will submit the list of ongoing and successfully completed developmental/CSR projects along with details and data. The said organization will also submit relevant data, process and mechanism adopted at their organizational level for implementation of CSR activities and
- result of going/successful projects, their success stories and impact assessment reports.
- The core member/representative nominated by the applicant organization will make detailed presentation (PPT format) to the station level CSR committee / NTPC-JPL Management.
- The CSR committee along with CSR department of JPL/management will scrutiny the documents and data provided and submitted by the GO/NGO. If submitted documents found satisfactory to the CSR committee
- / JPL management (including CSR Head JPL) then a field visit to the area of GO/NGO will be made for verification purpose where interaction with stakeholders, real beneficiaries and relevant work done will be seen.
- After completion of visit, the internal evaluation report will be prepared by Head CSR and submitted to the station level CSR committee and JPL management. The selection of organization will be done purely on merit basis (effectiveness and quality delivered by them in their successful project/s). If management finds it satisfactory then formal communication to the selected organization will be done for submission of proposal.
- The selected GO/NGO will submit the list of identified CSR activities, its budget and detailed road map, with cost norms to JPL management for the final approval.

Focus Area:

The main focus area for doing the CSR shall be comprised of the following:

- CSR Schemes shall be taken up based on need assessment and request received from the local sarpansh/ Pradhan/ MLA/ local district administration/ Collector to support the Society.
- CSR schemes are focused on the immediate vicinity of the stations/locations.





- Geographical area to be considered for CSR schemes in each location is broadly within the district boundary.
- CSR schemes may be taken up in areas beyond the district depending on specific requirements like natural calamity, requirements for key communities, type and nature of projects, GoI directive etc.

Based on the need assessment of the surrounding area, JPL adopted the following policy for the socio-economic upliftment of the community in an integrated manner considering inclusive development.

“As over 80% of rural employment and income are generated from the farming sector. Development of Rain fed agriculture, denuded and wasteland, up gradation of existing livestock (indigenous), and efficient natural resource management can ensure both food and nutrition, security, and income generation for the rural poor.”

Table - I

Sr. No.	Area	Goal
1	Livelihood Creation	To create livelihood for communities that are predominantly agrarian through vocational education and skill building for community. Focused on providing opportunities for the community to increase their income-generating capacity through advanced agricultural practices, dairy development, skill development for gainful self-employment of the community.
2	Women Empowerment	To form Self Help groups for women to help them gain financial independence along with the ability to live a happy and respectable life in society through awareness/ literacy programmes and by providing training for income generation activities. Linkage with appropriate Govt. scheme/leveraging the resources.
3	Primary Education	To improve the levels of learning in children between 6 to 14 years' age group students in Govt. schools by providing them with remedial classes & through modern and technological tools. Need-based infrastructure support and conducting extracurricular activities with Govt. schools.
4	Primary Health	To focus on the betterment of the health of surrounding community by conducting weekly dispensaries and specialty health camps along with sensitization and awareness on adolescent,



		maternal and child health.
5	Agriculture Development	To focus on improving agriculture practices by various methods such as: Orchard development (as per EC granted to JPL by MoEF, Govt. of India), Improved agricultural practices, on farm and off farm demonstrations, Use and promotion of quality seeds, other important need based agriculture interventions and inputs. Biogas, vermicomposting units for promotion of non-conventional energy sources and manures, capacity building, demonstration plots etc. Promotion of Bio prom and use of relevant sustainable techniques.
6	Dairy Development through improved livestock	To focus on integrated livestock development through a center situated in the vicinity of the plant. The said center provides door-to-door service AI (artificial insemination) in cattle for breed improvement along with need-based allied services. Forward and backward linkages support along with need based infrastructure required for value addition /market linkage.
7	Drinking water management	Establishment of drinking water source (new bore well /hand pump installation/installation of electric/solar pump/motor on public drinking water source). Pond desilting, open dug well digging and deepening, new pipeline/extension of existing pipe line for drinking water in villages.
8	Natural resource management	Construction artificial recharge structure for recharging of water source, field conditions based appropriate soil and water conservation measures, Pond desilting, watershed management in the field as per the need/requirement of the area/village, construction of farm ponds, farm bunds, contour trenches, plantation, relevant and appropriate SWC (Soil and water, Conservation measures) etc.
9	Development/support of rural Infrastructure	Availability of adequate infrastructure is key to the holistic development of an area. Need based infrastructure such as construction village internal roads, construction of link road, construction of classrooms, toilets, drinking water facility in Govt. schools, extension of modern education facilities



		and sports facilities in Govt. Schools
--	--	--

Monitoring & Evaluation and adoption of best CSR practices

1. The Monitoring and Review will be done at the station level. The station level shall do local reviews, disseminate MIS and generate relevant reports. A review of company-wide CSR and budget utilization shall be done by the CSR Committee.
2. Effectiveness of the CSR program will be assessed through both internal and external evaluation.
3. Progress will be measured against the findings of a need assessment/baseline survey (conducted prior to the start of the project).
4. Internal audits will be carried out to verify the effectiveness of implementation.
5. Adequate networking and cross-learning will be done to understand, study and Adopt/replicate best CSR practices across the NTPC locations including works done by external independent/private agencies/corporates / NGO/ Corporate foundations
6. Evaluation of works done will be done through credible external agencies for gauging impact of CSR initiatives.

Funding allocation:

1. The committee shall endeavor to spend at least 2% of the average net profit during the preceding 3 financial years on CSR activities as defined in Sec 135 and Schedule VII of the company's act. to be used for CSR activities as defined and recommended by the CSR Committee and approved by the Board of Directors of the Company.
2. As per conditions mentioned for CSR at JPL in the Environmental clearance(EC) of MoEF, Govt. of India granted for JPL. The JPL will allocate and use funds accordingly on a regular basis.

The CSR programs will be planned such that the budget allocated for CSR will be spent within the financial year. If, due to some reason, some part of the budget of that year remains unutilized it would be ensured by the Committee that the same is utilized in the following year. A full disclosure will be made as per the Companies Act, 2013 regarding CSR spending and unspent amounts. The surplus from the allocated CSR budget will not be utilized for business or form part of business profits.

Reporting and Communication:

The Station Level Committee shall communicate CSR-related information including efforts, achievements, etc to its stakeholders through the CSR Committee.

- Annual Report
- Sustainability Report
- Local/ National print & visual media, conferences, workshops, and other relevant forums and social media of repute.
- Internal and external workshops, training, bulletins, brochures, intranet, etc. are extensively used to





**JHABUA
POWER**

create awareness about CSR initiatives, among internal stakeholders.

Review

The policy shall be reviewed every three years or sooner if necessitated by changes in the business and regulatory framework and decided by the CSR committee.

Exclusion from CSR:

The following activity shall not be considered and form a part of the CSR activities of JPL.

- The activities are undertaken in fulfillment of the normal course of business requirements of the company.
- Donation and distribution of goods/commodities of any kind given by JPL (except fund given to Prime/Chief Minister's Citizen Assistance and Relief in Emergency Situations Fund in case of natural calamity/disaster only).
- Activities that benefit only the JPL employees and their families.
- The activities are organized inside the plant premises (within plant boundary wall) and falls under category of 'employee welfare'.

