

## CORPORATE SOCIAL RESPONSIBILITY POLICY

### 1. PREAMBLE

Ratnagiri Gas and Power Private limited (RGPPL) was incorporated under the Companies Act, 1956 on 08th July, 2005 and is promoted by NTPC Limited & GAIL (India) Limited. The company was set up to revive the assets of the Dabhol Power Company. RGPPL presently owns an Integrated Power generation and LNG Re-gasification facility. The power station is presently India's largest operating gas based combined cycle power station.

RGPPL has a vision "To emerge as a significant player in the Energy Sector, pursue opportunities thereof and strengthen nation's Energy Security"

To actualize this vision, RGPPL has set the following mission before itself:

To emerge as a preferred supplier of affordable Power & LNG Products by adapting global best practices and thereby ensuring-

- ✓ Effective contribution to the Society
- ✓ Value Addition to the Shareholders
- ✓ Growth & development of its employees

Thus, given the historical evolution of the station, inherently RGPPL has a deep belief that, generation of affordable power and LNG products is the primary social responsibility of the company.

Further, RGPPL endeavors to be a leading organization in Community Development (CD), which can be measured in terms of economic, social, and environmental impacts.

RGPPL resolves to;

- 1.1 Be a socially responsible corporate entity and to lead the sector in the areas of protection of environment, Bio-diversity, human rights and energy conservation.
- 1.2 Exceed compliance requirements for Labour practices & decent work
- 1.3 Contribute towards sustainable power development by discharging Corporate Social Responsibilities (CSR) that would positively impact its customers, employees, shareholders, communities, and the environment in various aspects of its operations. However, activities and expenditure related to staff benefits are not counted as CSR.
- 1.4 Focus on identifying gaps in development planning of infrastructure through interaction with elected public representatives, local administration and undertaking niche CD activities in the surrounding areas, through the participation of the Local Community.

## **2. CONCEPT, SCOPE, AND OBJECTIVES of Community Development (CD)**

### **2.1 Concept:-**

The CD projects of RGPPL would mainly be aimed at communities in the neighborhood, with efforts to improve the quality of life of the people in areas surrounding the plant and offices. In order to make an impact, RGPPL would primarily work through the elected municipal body and augment its efforts on providing access to basic amenities on water, sanitation, roads, health, education and other relevant infrastructure, as also other priority areas identified in the preamble.

### **2.2 Scope:-**

The policy applies to the formulation, execution, monitoring, evaluation, and documentation of CD projects in the target locations, near company's offices and plants, normally, within 5 KMs radius of the plant.

### **2.3 CD Objectives**

- 2.3.1 RGPPL would take up CD activities with an objective to integrate social goals and to address the aspirations of the Stakeholders, in line with the practice of sustainable development and inclusive growth in conformity with the corporate business plan.
- 2.3.2 RGPPL would strive to augment the efforts of the panchayat or the municipal body in the target village and improve the standard of living of the community in the target locations through its CD activities and maintain a cordial relation with the local authorities and communities through transparent and sustainable development activities. The target location plan would generally be within 5 KMs radius of the operating station.
- 2.3.3 RGPPL would aim to minimize social risks associated with operations of the project site through the policies described in the document.

### 3. INSTITUTIONAL SET-UP

#### 3.1 **Internal organizational structure:**

The following two tier structure would be responsible for implementing CD activities:

- Corporate Office
- Operating station

##### Corporate office:

- The HR group at Corporate Office would be responsible for policy matters, compilation of information and preparation of annual reports and finalizing CD projects related to the Operating station / locations. It would also be responsible for approval of Community Development Actions Plans (CDAPs) and facilitating the process of allocation of commensurate funds to the site and other offices.

In addition, it would also be responsible for implementing activities undertaken at locations other than at operating station. The monitoring of CD activities taken up at plant and other offices would also be the responsibility of the Corporate Office.

##### Operating Station (Site):

The HR Group at RGPPL site would be responsible for needs assessment of the surrounding locations, preparation of CDAP (Community Development Action Plan), implementation, reporting and monitoring on the physical and financial progress of the strategic interventions planned for the term on a regular basis.

#### 3.2 **CD staff**

3.2.1 RGPPL to form a team, comprising of HR & Civil executives, dedicated to CD, at the operating station. A member among HR group at Corporate Office would be identified for coordinating CD activities and related responsibilities.

3.2.2 Depending on specific activities, experts/professionals can also be engaged, on a contract basis, for planning and implementation of these activities.

3.2.3 Volunteering by family members of employees would be promoted. The volunteers could also facilitate planning and implementation of the identified CD projects.

##### 3.2.4 **Consultation & Participation**

For institutionalizing community and local administrations' participation for preparation, implementation and monitoring site related CD projects, RGPPL would establish a Consultation & Participation mechanism with the stake holders including representatives of

neighboring community, focused sections like women etc. & district administration. The committee may normally meet every quarter or as per need and requirement. The minutes of the meetings would be documented and shared among all members of the community.

- 3.2.5 Alternatively, RGPPL would interact with the elected representatives, district administration and opinion leaders of the area to assess the needs of the target villages and formulate annual CD action plans.

### **3.3 Training and capacity building**

- 3.3.1 RGPPL would endeavor to generate awareness among all levels of their staff and volunteers on CD projects so as to integrate its social processes with the business. It will also make efforts to train the staff in building capacity and sensitization on continuous basis.

The CD staff would also be exposed to successful CD projects of various other public sector undertakings (PSUs) and corporate entities.

RGPPL would make efforts to build capacity of other stake holders and volunteers by sharing knowledge and experience of CD projects, in particular on implementation and monitoring aspects.

## **4. PLANNING & IDENTIFICATION OF CD PROJECTS**

- 4.1 RGPPL's site will propose relevant CD programs for neighboring community after studying the local needs and aspirations/requirements, as stated above. Corporate Office will propose CD programs, if any, to be taken up at Corporate and other offices depending on the need and requirement. However, the key focus of CD projects would normally be on facilitating infrastructure provision for qualitative improvement in health, education, access to water/sanitation, and improved roads.

An indicative list of different CD projects is placed at Annexure – I

- 4.2 The geographical area for implementation of the CD project would generally be the surrounding areas normally within 5 KMs radius of the plant area as also other areas for activities identified to be taken up by the Corporate Office.
- 4.3 Data on existing status would be reviewed before planning for new CD projects. The CD projects would be framed with a long-term objective of provision for basic infrastructure and civic facilities, to be developed and transferred to the village panchayat / local body. At the end of project period, efforts would also be made to quantify the impacts based on the baseline data and would be compared with identified goals and objectives.
- 4.4 The bottom-up approach would be adopted in planning CD projects. The CD projects for the RGPPL operating station would be formulated based on needs assessed, through consultation & participation of district officials, elected representatives etc. Based on the needs assessed, a detailed project report, prioritizing needs of nearby community, vulnerable

sections of society and target locations would be prepared with specific deliverables, time-frame and budget.. Similar exercise may also be undertaken while planning for activities to be taken up at locations other than the operating station.

- 4.5 Finalizing of activities would be with the objective of empowering the community residing in the target areas in a phased manner and for an identified planned period. This activity could involve the basic and immediate needs, such as roads, school, health, sanitation and drinking water-related plans as also other areas identified in the preamble, with the objective of empowering the Local Community, to be self-sufficient in discharging its mandate. A broad frame work/ action plan would be formulated including the finalized activities.
- 4.6 The plan would clearly enunciate targets that are proposed to be achieved over the plan period. For each activity, a set of quantifiable indicators would be developed for reporting on achievement.
- 4.7 Interventions for the area would be planned with a focus on making use of local resources/materials, particularly to minimize the cost without compromising on quality. Such local resources and low-cost technologies would normally be identified in consultation with stake holders.
- 4.8 RGPPL would endeavor to involve the targeted communities and local authority in the planning, implementation, as also in monitoring and evaluation of CD activities to the extent possible.
- 4.9 If the proposed CD work comprises of development of infrastructure, then RGPPL would, on completion of the work of infrastructure, hand over and transfer such an asset to the local body for its ownership, operation and maintenance. RGPPL may, subject to budget provision, work out a plan in consultation with & participation of stake holders, for any items of exceptional / one time maintenance of the infrastructure/facilities, as routine maintenance is looked after by local body.

## **5. BUDGET AND FUND ALLOCATION**

- 5.1 The budget allocation would normally be based and in line with the GOI guidelines on CSR dated 9<sup>th</sup> April 2010. This would, however, be suitably modified based on any further government notifications in this regard.
- 5.2 The annual CSR Budget of RGPPL would be approved by the Board.
- 5.3 Based on the total approved Budget, MD would be authorized to allocate funds for different projects on the basis of identified CD plans on yearly basis, under different budget heads for undertaking CD activities.

## 6. IMPLEMENTATION

CD activities would be implemented at the operating station by RGPPL in consultation and participation of the stake holders. CD activities at other locations would be implemented by the corporate office.

RGPPL would also make efforts to involve local institutions as per need and requirement during implementation of identified CD activities in a systematic and planned manner.

## 7. MONITORING

A Two-tier monitoring mechanism for the CD projects would be developed:

- Internal monitoring
- External evaluation by an independent and credible agency

### 7.1 Internal Monitoring

7.1.1 The implementation of identified CD Projects at the operating station would be regularly monitored, there, preferably on a monthly basis. Corporate CD projects will be monitored by the group set up at Corporate Office.

7.1.2 Progress of the activities would also be reviewed at yearly basis and report will be submitted to RGPPL Management (suggested format in Annex – II).

### 7.2 External Monitoring

7.2.1 Monitoring committee: For each activity/ project planned to be executed, a monitoring committee, comprising of representatives of executing agency, beneficiary target village and actual users / their representatives may be constituted, who would oversee the execution of the work for the purpose of satisfactory completion in terms of cost / time parameters.

The committee would also provide required feedback and inputs to formulate and improve the projects in future, from time to time, as per need and requirement.

## 8. REPORTING

Based on the monitoring reports collected from RGPPL Site and Corporate Office, the activities undertaken by RGPPL will be reported and form a part of the Annual Report of RGPPL. The Board of Directors of RGPPL will also be kept informed, from time to time, on the CD activities undertaken by RGPPL.

Efforts will also be made to quantify the impact made by CD projects, to the best possible extent, with the baseline data/existing status surveys developed before the start of any CD project.

## ANNEXURE - I

### Indicative List of Possible Areas of Interventions

1. Drinking water facility
2. Education
3. Sanitization & Hygiene
4. Improving the quality of life of girl child
5. Improving lives of vulnerable persons such as physically challenged, destitute women, widow
6. Improving lives of scheduled caste and scheduled tribe people
7. Health and family welfare
8. Relief of victims of natural calamities like earthquake, cyclone, drought, flood situation.
9. Supplementing development programs of the government
10. Construction of community centres/ night shelters/ old age homes
11. Imparting vocational training
12. Scholarships to meritorious students belonging to the weaker section.
13. Skill training, entrepreneurship development and placement assistance programs for youth.
14. Provision of Non – Conventional Energy Sources
15. Facilitation & Assistance of Fishing Community in areas pertaining to livelihood generation/improvement, infrastructure, boats, nets, backward and forward linkages etc.
16. Activities related to preservation of Environment, Ecology with focus on coastal areas.
17. Activities related to energy conservation.

## ANNEXURE – II

### Template of monitoring of CD Activities

#### **Part A: Cover page**

Operating Station/offices other locations:

Reporting period:

Geographical area of intervention: name of the villages, map of the villages:

Summary of projects being reported:

#### **Part B: Achievements**

Name of the sub project/ sub project code	Intended outputs	Outputs achieved	Intended activities	Activities accomplished
Xxx				

**Challenges:** (Challenges would incorporate the reasons of deviations in the indented and achieved/ accomplished outputs/activities)

sub project/ sub project code	Break up of budget allocated for the reporting duration	Break up of amount spent for the reporting duration	Reasons for deviation
Xxx	Xxx		

#### **Part C: Sector-wise achievement analysis**

Sub project	Quantifiable indicators/ deliverables	Situation as per baseline survey	Situation as per previous report	Present situation	Remarks on progress /achievement/ challenges
Eg. Education					
Eg. Health					
Eg. Sanitation					

**Part D: Support received from the local authorities/government**

**Part E: Case studies / success stories**

**Part F: Lessons learnt**

**Part G: Intended outputs and activities for the next reporting period**