

## FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CSR has been synonymous with Company's core business of power generation. The Company's spirit of caring and sharing is embedded in its mission statement. The Company has a comprehensive Resettlement & Rehabilitation (R&R) policy covering community development (CD) activities which has been revised and updated from time to time. CD activities in green field area are initiated as soon as project is conceived and thereafter extensive community / peripheral development activities are taken up along with the project development. Separate CSR Community Development Policy, formulated in July 2004 and Sustainability Policy formulated in Nov 2012 were combined and revised in 2016 as "NTPC Policy for CSR & Sustainability" in line with Companies Act 2013 and DPE Guidelines for CSR. It covers a wide range of activities including implementation of key programmes through NTPC Foundation.

CSR & Sustainability programs undertaken by Company include activities specified in Schedule VII of the Companies Act 2013 & rules made there under and any other activity for benefit of community at large. Focus areas of NTPC CSR & Sustainability activities are Health, Sanitation, safe Drinking Water, Education, Women Empowerment, Social Infrastructure livelihood creation and support through innovative agriculture & livestock development, support to Physically Challenged Person (PCPs), and activities contributing towards Environment Sustainability. The Company commits itself to contribute to the society, discharging its corporate social responsibilities through initiatives that have positive impact on society at large, especially the community in the neighborhood of its operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability.

Preference for CSR & Sustainability activities is given to local areas around Company's operations, ensuring that majority CSR funds are spent for activities in local areas. However, considering Inclusive Growth & Environment Sustainability and to supplement Government effort, activities are also taken up anywhere in the country. During the year about 550 villages and more than 450 schools have been benefitted by NTPC's various CSR initiatives at different locations. NTPC's CSR initiatives have touched the lives of around 10 lakhs people in one or the other way, residing at remote locations.

Apart from the CSR activities undertaken in and around operations to improve the living conditions of the local communities, some of the other CSR initiatives undertaken PAN India are:

- Creation of full-fledged Science & IT lab in BGIS School, Vrindavan, construction of school & hostel for tribal children in Chapki, UP.
- Support for Combating cancer by creating infrastructure & equipment at National Cancer Institute Nagpur and AIIMS New Delhi.
- Revival and operation of Mechanized Solid Waste Management plant at Karsada, UP.
- Installation of Bore wells and Electric pump sets for 220 scheduled tribe farmers at Nagram village Telangana.
- Creation of Skill development and Panchkarma treatment center.
- NTPC participated in the CSR fair, first of its kind organized by DPE and exhibited the products prepared by local community under NTPC Skill development projects being operationalized by various NTPC units.
- Provision for income generation opportunities through vocational training, skill upgradation and income generation programs. NTPC has adopted 18 Industrial Training Institutes (ITIs) and is setting up 8 new ones. NTPC has signed Memorandum of Understanding (MoU) with National Skill Development Corporation (NSDC) to develop the skills of 30000 youth over a period of 05 years spread in 12 states in order to make them self-employable by NTPC.

NTPC, being a member of Global Compact Network, India, confirms its involvement in various CSR activities in line with 10 Global Compact principles and shares its experience with the representatives of the world through Communication on Progress (COP). It submits COP to United Nations Global Compact on regular basis.

**Web link for accessing uploaded COP is given below:**

[www.unglobalcompact.org/what-is-gc/participants/7032-NTPC-Ltd#cop](http://www.unglobalcompact.org/what-is-gc/participants/7032-NTPC-Ltd#cop)

**Web Link to the CSR Policy & Projects or programs**

<http://www.ntpc.co.in/en/corporate-citizenship/corporate-social-responsibility>

## 2. The Composition of the CSR Committee

As on 31.03.2018, the Board Level Corporate Social Responsibility & Sustainability Committee comprises

One functional Director	:	Shri Saptarshi Roy
Three Independent Directors	:	Dr. Gauri Trivedi
	:	Shri Pradeep Kumar Deb
	:	Shri Vinod Kumar



The committee recommends to the Board for approval, the amount of expenditure to be incurred on the activities and also monitors from time to time the Policy for Corporate Social Responsibility & Sustainability approved by the Board.

3. Average net profit of the Company for the previous 3 financial years - ₹ 11037.30 Crore
4. Prescribed CSR Expenditure (2% of the amount as in item 3 above) - ₹ 220.75 Crore
  - Previous Year Shortfall - NIL
  - Total Prescribed CSR Expenditure - ₹ 220.75 Crore
5. Details of CSR spent during the financial year
  - (a) Total amount to be spent for the financial year - ₹ 220.75 Crore
    - Amount spent - ₹ 241.54 Crore (2.19%)
    - Amount exceeding prescribed CSR Exp - ₹ 20.79 Crore
  - (b) Amount unspent, if any - NIL
  - (c) Manner in which the amount spent during the financial year is detailed below:

Amount (₹ Crore)

5(c) Manner in which the amount spent during the financial year is detailed below :							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the Project is covered./ Relevant Section of Schedule VII in which the project is covered (Note)	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads*: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period*	Amount spent: Direct or through implementing agency
1	Swachh Vidyalaya Abhiyaan**	i	CSR initiatives during the Financial Year 2017-18 have been taken up on PAN India basis around NTPC operations primarily in 20 states mentioned below: Andhra Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand, West Bengal	1.07	10.52	10.52	Through Implementing / Contracting Agency/NTPC Foundation/ Trusts/ societies
2	Sanitation**	i		21.83	21.88	21.88	
3	Environment**	iv		59.04	56.22	56.22	
4	Healthcare	i		34.05	15.08	15.08	
5	Education & Skill Development	ii		43.18	65.26	65.26	
6	Rural Development	x		53.51	32.11	32.11	
7	Drinking Water	i		19.77	12.34	12.34	
8	Sports	vii		3.20	1.58	1.58	
9	Protection of National Heritage Art & Culture	v		13.17	14.57	14.57	
10	Other CSR Activities	ii, iii, iv		1.63	11.98	11.98	
	<b>Total</b>			<b>250.45</b>	<b>241.54</b>	<b>241.54</b>	

**Note** \* Including expenditure on activities carried forward from previous years, which have been completed during 2017-18.

\*\*Expenditure towards SI No 1,2 & 3 have contribution towards achieving of the National Goal of Swachh Bharat in line with DPE Guidelines

**Note :**

- (i) Eradicating hunger, poverty and malnutrition, promoting healthcare incl. preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;

- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
  - (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
  - (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
  - (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
  - (vii) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
  - (x) Rural development projects;
6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.
- By spending ₹ 241.54 Crore during the financial year, the company has surpassed the prescribed two percent amount of ₹ 220.75 Crore by ₹ 20.79 Crore, thus achieving a CSR spend of 2.19% of average net profit of previous 3 financial years .
7. This is to state that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors



(Gurdeep Singh)

Chairman & Managing Director

Place : New Delhi

Dated : 8<sup>th</sup> August, 2018