

INDIA POWER CORPORATION LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY POLICY

1. INTRODUCTION

The Securities and Exchange Board of India (SEBI), has notified in terms of amendment dated may 25th 2021 to Regulation 34 (2) (f) of Listing Obligations and Disclosure Requirement (LODR) Regulations, to introduce new reporting requirements on ESG parameters for Corporates called the Business Responsibility and Sustainability Reporting (BRSR).

In terms of the above amendment, with effect from the financial year 2022 – 2023, filing of BRSR shall be mandatory for the top 1,000 listed companies (by market capitalization) and shall replace the existing Business Responsibility Report (BRR). Filing of BRSR was voluntary for the financial year 2021 – 2022.

2. OBJECTIVE

The objective of this document is to prescribe Policies for the various principles on Business Responsibility and Sustainability mentioned in the format prescribed by SEBI for the said Reporting and is aligned with the National Guidelines on Responsible Business Conduct (NGRBCs), issued by the Ministry of Corporate Affairs (MCA) in March 2019

3. APPLICABILITY

Based on the list of top 1000 listed entities based on market capitalization as on March 31,2023, India Power Corporation Limited (“IPCL” or “Company”) is covered under the same and hence, the Company is required to formulate policy on business responsibility and sustainability reporting, which shall be implemented during the F.Y. 2022-23.

These policies shall be applicable to the Company with effect from F.Y.2022-23

The Authorised KMPs may further decide to apply the policies or principles thereof to such internal and external stakeholders as may be determined from time to time.

4. IMPLEMENTATION

1. The Policy shall be appropriately communicated across all levels and shall be hosted on the Company's website.
2. The Director responsible for Business Report, as may be designated by the Board from time to time, through the respective Business Heads of the Company shall be responsible for ensuring that the Policy is implemented throughout the Group.
3. The Business Heads shall provide an annual declaration to the Director responsible for Business Report as to the compliance of the Policy.
4. Compliance with the Policy shall be monitored and evaluated by the Director responsible for Business Report on a regular basis.
5. Any grievances/ complaints with respect to violation of the Policy shall be reported to the Director responsible for Business Report.

Presently, Mr. Somesh Dasgupta, the Whole-time Director of the Company, has been appointed by the Board as the Director responsible for Business Report. The contact details of Mr. Mr. Somesh Dasgupta are stated below:

Address: Plot No. X1 - 2 & 3, Block EP, Sector-V, Salt Lake City, Kolkata- 700 091

Telephone: 033-6609 4308/09/10; Fax: 033-2357 2452

E-mail: somesh.dasgupta@indiapower.com

6. MODIFICATION/ AMENDMENT

Any or all provisions of this Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued by the Central Government or Ministry of Corporate Affairs or SEBI and/or any other statutory authorities, from time to time.

7. BOARD APPROVAL

All the Business Responsibility Policies have been formulated by the management of the Company in consultation with the relevant stakeholders and are approved by the Board of Directors of the Company at its meeting dated

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PRINCIPLE 1

ETHICS, TRANSPARENCY AND ACCOUNTABILITY POLICY

1. OBJECTIVE

India Power Corporation Limited (hereinafter referred to as “the Company”) endeavours to be recognized as an organization committed to the highest ethical standards and hence lays strong emphasis on ethical corporate citizenship and establishment of good corporate culture. The Company believes in adhering to best governance practices to ensure protection of interests of all internal and external stakeholders of the Company. The Company endeavours to make best efforts to impress upon other entities in the value chain and its associates to participate in the Business Responsibility and Sustainability initiatives depending upon their means and resources.

2. SCOPE

This Policy is applicable to all the business divisions of the Company, the Group and Joint Ventures.

3. POLICY

1. The Company has developed a Code of Conduct for its Board Members and Senior Management Personnel. The Board Members and Senior Management Personnel at all levels shall abide to the Code to ensure good governance, ethical practices, transparency and accountability in conducting affairs of the Company and dealing with stakeholders across the value chain.
2. The Company shall follow governance structures, procedures and practices that ensure ethical conduct at all levels.
3. The Company shall maintain transparency and assure access to information about its decisions that impact relevant stakeholders.
4. The Company shall truthfully discharge its responsibility on making financial and other mandatory disclosures timely.
5. The Company shall ensure that genuine concerns of misconduct/unlawful conduct can be reported in a responsible and confidential manner to the concerned authorities.
6. The Company should not engage in practices that are abusive, corrupt, or anti-competitive.
7. In the Annual Report of the Company, the Chief Executive Officer shall certify compliance of the Company's Code of Conduct by Board Members and Senior Management Personnel.

PRINCIPLE 2

PRODUCT LIFECYCLE SUSTAINABILITY POLICY

1. OBJECTIVE

India Power Corporation Limited (hereinafter referred to as “the Company”) endeavours to embed the principles of sustainability, as far as practicable, into the various stages of product or service generation, transmission and distribution of electricity and related activities.

2. SCOPE

This Policy is applicable to all the business divisions of the Company, the Group and Joint Ventures.

3. POLICY

1. The Company shall ensure that its products and services comply with all applicable statutes and regulations;
2. The Company shall work towards ensuring that all goods and services are procured, manufactured and delivered embedding the principles of labour practices, human rights, ethics, occupational health, safety and environment as defined in the Company's policies namely:
 - a. Code of Conduct
 - b. Policy on Ethics, Transparency and Accountability

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- c. Policy on Employee Well Being
 - d. Policy on Human Rights
 - e. Policy on Customer Value
3. The Company shall work towards sourcing significant raw materials, products and services in a manner so as to continuously maintain the balance between social, economic and minimise the environmental impacts;
 4. The Company shall continue to progressively factor in relevant social and environmental considerations during the process of generation, transmission and distribution of electricity and related activities;
 5. The Company shall continue to recognise and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property, wherever relevant;
 6. In designing the products, the Company shall ensure that the service generation, transmission and distribution of electricity, it's related processes and technologies required are resource efficient and sustainable;
 7. The Company shall work with supply chain members that comply with applicable laws and regulations related to labour practices, human rights, bribery & corruption, occupational health, safety and environment;
 8. The Company shall encourage resource efficiency in the supply chain and shall guide supply chain members towards becoming more sustainable.
 9. The Company shall work towards building capacity such that all the value chain partners, namely the third party manufacturers, service providers including transporters and suppliers of significant raw materials, are sensitised and empowered to fulfil their roles and responsibilities towards sustainability;

PRINCIPLE 3

EMPLOYEE WELL BEING POLICY

1. OBJECTIVE

India Power Corporation Limited (hereinafter referred to as “the Company”) endeavours to ensure the well-being of all its employees. For the Company the safety, health and work life balance of employees are extremely important. The Company believes in giving its employees ample opportunities so that they shall be motivated, result oriented and committed to achieve excellence in their domain. The Company endeavours to provide work environment in which all individuals are treated with respect and dignity.

2. SCOPE

This Policy is applicable to all the business divisions of the Company, the Group and Joint Ventures.

3. POLICY DETAILS

Diversity and Equal Opportunity

The Company shall provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion or disability.

Prevention of Child Labour/Forced Labour and Harassment

- The Company shall not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
- The Company shall provide a work environment that is free from any form of discrimination.
- The Company shall create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

Employee Well Being:

- The Company shall provide facilities for the wellbeing of its employees including those with special needs.
- The Company shall ensure timely payment of wages and salaries.
- The Company shall provide a workplace environment that is safe, hygienic and which upholds the dignity of the employees.
- The Company shall ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis.

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PRINCIPLE 4

STAKEHOLDER ENGAGEMENT POLICY

1. OBJECTIVE

India Power Corporation Limited (hereinafter referred to as “the Company”) believes in the principle that the interest of all stakeholders must be protected and at the same time, the Company must be responsive towards them, especially those who are disadvantaged, vulnerable and marginalised. The Company believes that stakeholder engagement leads to increased transparency, responsiveness, compliance, organisational learning, quality management, accountability and sustainability.

2. SCOPE

This Policy is applicable to all the business divisions of the Company, the Group and Joint Ventures.

3. POLICY

1. The Company shall understand the concerns of its stakeholders, define its purpose and scope of engagement, and commit to engaging with them.
2. The Company shall acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
3. The Company shall strive to give special attention to stakeholders in areas that are underdeveloped.
4. The Company shall resolve differences with stakeholders in a just, fair and equitable manner.

PRINCIPLE 5

POLICY ON HUMAN RIGHTS

1. OBJECTIVE

It is a fundamental responsibility of India Power Corporation Limited (hereinafter referred to as “the Company”) to conduct its business in a manner that respects the rights and dignity of all people. The Company is committed to respecting fundamental human rights in its operations, value chain, and in the communities where it operates.

2. SCOPE

This Policy is applicable to all the business divisions of the Company, the Group and Joint Ventures.

3. POLICY DETAILS

Respect for Human Rights

The Company shall recognize and respect the human rights of all relevant stakeholders within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups. The Company should promote the awareness and realization of human rights across their value chain.

Community & Stakeholder Engagement

The Company shall recognize its impact on the communities in which it operates. The Company should be committed to engage with stakeholders to ensure that the Company is listening to, learning from and taking into account their views while conducting the business.

Freedom of Association and Collective Bargaining

The Company respects its employees' right to join or not to join a labour union without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognized union, The Company is committed to establish a constructive dialogue with their freely chosen representatives.

Safe and Healthy Workplace

The Company is dedicated in maintaining a productive workplace by minimizing the risk of accidents, injury and exposure to health risks.

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PRINCIPLE 6

PRESERVATION OF ENVIRONMENT POLICY

1. OBJECTIVE

India Power Corporation Limited (hereinafter referred to as “the Company”) places highest corporate priority in ensuring and adhering to best procedures relating to environment protection. The Company sets high standards in the area of environmental responsibility - striving for performance that does not merely comply with regulations but reduces environmental impacts. The Company believes that it has a responsibility to take care of the planet and preserve its beauty, resources and strength for future generations.

2. SCOPE

This Policy is applicable to all the business divisions of the Company, the Group and Joint Ventures.

3. POLICY

The Company is committed to

1. Utilize natural and man-made resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste, as far as practical by setting Environmental objectives and targets.
2. Take measures to check and prevent pollution. The Company shall assess the environmental damage and bear the cost of pollution abatement with due regard to public interest, implementing compliance obligations.
3. Ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
4. Continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.
5. Proactively persuade and support its value chain to adopt these principles.

PRINCIPLE 7

RESPONSIBLE ADVOCACY POLICY

1. OBJECTIVE

India Power Corporation Limited (hereinafter referred to as “the Company”) believes that a lot can be achieved by the Company, if it works together with the Government, Legislators, Trade Bodies and Regulators to create positive social and environmental outcomes. The Company has always strived to create a positive impact in the business eco-system and communities by practicing pro-active advocacy not for securing certain benefits for industry, but for advocating certain best practices for the benefit of society at large. The Company engages with industry bodies and associations to influence public and regulatory policy in a responsible manner.

2. SCOPE

This Policy is applicable to all the business divisions of the Company, the Group and Joint Ventures.

3. POLICY DETAILS

1. The Company shall work with industry organisations that are engaged in policy advocacy in a responsible manner;
2. The Company shall ensure that policy advocacy is conducted ethically.
3. The Company shall ensure that advocacy position is consistent with the Group’s values and philosophy.

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PRINCIPLE 8

INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT POLICY

1. OBJECTIVE

India Power Corporation Limited (hereinafter referred to as “the Company”) is committed to support initiatives that measurably improve the lives of underprivileged by undertaking activities in the areas of its operations. The Company has in place a Policy on Corporate Social Responsibility and is carrying out various CSR Activities from time to time.

2. SCOPE

This Policy is applicable to all the business divisions of the Company, the Group and Joint Ventures.

3. POLICY DETAILS

Our core principles for community development are:

1. Identification of the impact of the Company’s operations on social and economic development and to minimize the negative impacts, if any on the same.
2. Innovation and investment in products, technologies and processes on continuous basis for the overall wellbeing of the society.
3. The Company endeavours to undertake various community development activities for communities living in the vicinity of its operations. The Company also endeavours that there is no disturbance to the communities living in the vicinity of its operations and has a mechanism to try for appropriate resettlement and rehabilitation of communities who may have been displaced, if at all.
4. The Company will try to give priority to the needs and requirements of communities or area in the vicinity of the operating facilities of the Company.

PRINCIPLE 9

POLICY ON CUSTOMER VALUE CREATION

1. OBJECTIVE

India Power Corporation Limited (hereinafter referred to as “the Company”) is a consumer centric Company and the foundation of the Company is based on the trust, satisfaction and loyalty of its consumers. The Company's products are the result of understanding consumers' needs, through innovative technology by combining generations of practical experience with a continuous flow of new knowledge.

2. SCOPE

This Policy is applicable to all the business divisions of the Company, the Group and Joint Ventures.

3. POLICY DETAILS

5. The Company while serving the needs of its customers shall take into account the overall well-being of the customers and that of society.
6. The Company shall ensure that it does not restrict the freedom of choice and free competition in any manner while designing, promoting and selling its products.
7. The Company shall disclose all information truthfully and factually as per applicable laws, through labelling and other means, including the risks to the individual and to the society from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner.
8. The Company shall educate its customers on the safe and responsible usage of its products and services, to the maximum extent possible.
9. The Company shall promote and advertise its products in ways that do not mislead or confuse the consumers.
10. The Company shall provide an adequate consumer feedback mechanism to address customer concerns and feedback.

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