

HPL ELECTRIC & POWER LIMITED
CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Applicability

This Corporate Social Responsibility Policy is applicable to **HPL Electric & Power Ltd.** (hereinafter referred to as “the Company”), which is mandated with the CSR expenditure obligations as per Sec. 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

2. CSR Committee - roles and responsibilities

Corporate Social Responsibility Committee (CSR Committee) had been constituted by the Board of Directors of the Company in its meeting held on 28th April, 2014. In view of reconstitution of the CSR Committee; the CSR Policy is revised. The present constitution of the CSR Committee is as below:

SN	Name of the Director	Designation
1	Mr. Lalit Seth	Chairman
2	Mr. Rishi Seth	Director
3	Mrs. Madhu Bala Nath	Independent Director
4	Mr. Jainul Haque	Independent Director

CSR committee is responsible to:

- a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company specified in Schedule VII;
- b. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above;
- c. Monitor Corporate Social Responsibility Policy of the Company from time to time; and,
- d. To take steps for the formulation of any Trust/Society/Company for the charitable purpose and get the same registered for the purpose of complying with Corporate Social Responsibility provisions.
- e. Any other duties, roles and responsibilities pursuant to the provisions of the Section 135 of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time.

3. Purpose & Focus Area:

The purpose for which amount can be utilized is defined under schedule VII of the Companies Act, 2013 and summarized here below:

- (i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swatch 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, agro forestry, 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;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- (viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (x) Rural development projects

The CSR Committee may decide from time to time to undertake any CSR activities as defined under schedule VII of the Companies Act, 2013. However the main focus area of Company's CSR activities shall be as under:

- (a) Promoting education; and
- (b) Promotion of rural development
- (c) Preventive Health Care

The Company may carry out its CSR activities in any part of India, as may be decided by the CSR Committee from time to time.

4. CSR Expenditure

As per the provisions of section 135 of the Companies Act, 2013; at least 2% of the average net profit (as per section 198 of the Companies Act, 2013) of last three years will be spent on CSR activities.

The total budget for the CSR activities to be undertaken by the Company will be decided by the CSR Committee from time to time.

In case the company is not able to expend the aforesaid sum either fully or partly; the same shall be properly explained by the CSR Committee and the Board of Directors of the Company in the Annual Report of the Company.

It is clarified that the Company may build CSR capacities of their own (through promoting any Trust/Society or Section 8) or through any Implementing agencies with established track records of at least three financial years but such expenditure, including expenditure on administrative overheads shall not exceed five percent of total CSR expenditure of the Company in one financial year.

5. Implementation

Implementation of an expenditure on the CSR activities shall be through external implementing agencies in the form of trust, society and section 8 Company, which shall have an established track record of a minimum three years in undertaking similar programs or projects as defined under schedule VII of the Companies Act, 2013 or any other Trusts, Foundations and Section 8 companies that may be established by the Company from time to time.

The Company may also make CSR expenditure in the form of contribution to the eligible funds like, Prime Minister's National Relief Fund, notified by the Central Government.

6. Monitoring

Dedicated CSR team shall be constituted for implementing the CSR Policy which shall be responsible for Implementation of CSR Policy, including routine monitoring of CSR projects on a periodical basis to establish effectiveness of CSR efforts and report the same to the CSR Committee.

The overall monitoring of the CSR activities and expenditures shall be done by the CSR Committee.
