

(Approved by the Board of Directors on 12th November, 2014 and further revised on 14th February, 2020)

HPL ELECTRIC & POWER LIMITED CORPORATE SOCIAL RESPONSIBILITY POLICY

APPLICABILITY

As per the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, Corporate Social Responsibility is applicable to HPL Electric & Power Ltd. (hereinafter referred to as “the Company”).

CSR COMMITTEE - ROLES AND RESPONSIBILITIES

Corporate Social Responsibility Committee (CSR Committee) has been constituted by the Board of Directors of the Company as per the provisions of the Companies Act, 2013.

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.

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 health care including 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) Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);;
- (x) Rural development projects
- (xi) Slum area Development
Explanation.— For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- (xii) disaster management, including relief, rehabilitation and reconstruction activities.

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.

CSR EXPENDITURE

As per the provisions of section 135 of the Companies Act, 2013; the Board shall ensure that the company spends in every financial year, at least 2% of the average net profits of the company (calculated as per section 198 of the Companies Act, 2013) made during the three immediately preceding financial years.

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 spend 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.

IMPLEMENTATION

The Company may build CSR capacities on their own (directly or 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.

MONITORING

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

AMENDMENT

Any Amendment on the subject of this Policy, shall automatically have the effect of amending this Policy without the need of any further approval of the Board of Directors.
