

**Corporate Social Responsibility (CSR) Policy
Of
National High Power Test Laboratory Private Limited (NHPTL)**

1. Introduction

National High Power Test Laboratory Private Limited (NHPTL) is a joint venture Company of NTPC Limited, Power Grid Corporation of India Limited (PGCIL), NHPC Limited, Damodar Valley Corporation (DVC) and Central Power Research Institute (CPRI).

The Company was incorporated with an aim to establish an online High Power Short Circuit Test Facility, High Power Synthetic Lab (HPS), and High Current Low Voltage Lab (HCLV) in the country. The High Voltage Transformer (HVTR) Section of the Laboratory has been in operation for short-circuit testing of transformers of voltage rating up to 765 kV voltage class with effect from 11.09.2017. This facility is capable of catering to the requirements of short-circuit tests of power transformers ranging from 25 MVA, 220 kV class to 520 MVA, 765 kV class. The Company has reported significant accumulated losses during its initial operations since 2017.

However, NHPTL recognizes that while it contributes significantly to the nation's power infrastructure and testing capabilities, it also bears a responsibility to contribute toward the holistic and sustainable development of society. Therefore, in line with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended), the Company has framed this CSR Policy to guide its social and environmental initiatives as and when applicable.

2. Objective

The objective of this CSR Policy is to:

- Lay down guiding principles and a framework for identifying, implementing, and monitoring CSR activities.
- Ensure that the Company undertakes socially responsible activities in alignment with the national development agenda and stakeholder expectations.
- Contribute to sustainable development by delivering economic, social, and environmental benefits to society at large.

3. Applicability

This Policy applies to all CSR initiatives and activities undertaken by NHPTL, either directly or through eligible implementing agencies. The implementation shall be as per applicability of the Companies Act, 2013.

4. CSR Committee

- The Company shall constitute a CSR Committee in compliance with Section 135 of the Companies Act, 2013, whenever the provisions of the said section become applicable.
- The composition of the Committee shall be disclosed in the Board's Report, as and when constituted.

Note: In case the Company is not required to constitute a CSR Committee under the provisions of Section 135 of the Act, the **Board of Directors** shall discharge all the functions and responsibilities of the CSR Committee as specified under the Act and CSR Rules. The Board for such periods shall operate the CSR activities through the CEO for:

1. Formulate and recommend to the Board the activities to be undertaken.
2. Recommend the amount of expenditure to be incurred on such activities.
3. Monitor the implementation of CSR projects and programs periodically for the reporting to the Chairman of such CSR activities undertaken for such projects approved by the Board.

5. Areas of CSR Activities

NHPTL shall undertake CSR activities as prescribed in the Companies Act, 2013, focusing primarily but not limited to the following areas:-

- Eradicating hunger, poverty, and malnutrition; promoting health care including preventive health care and sanitation.
- Promoting education, including special education and vocational skills for employability.
- Promoting gender equality and empowering women.
- Ensuring environmental sustainability, ecological balance, and protection of flora and fauna.
- Protection of national heritage, art, and culture.
- Measures for the benefit of armed forces veterans, war widows, and their dependents.
- Contribution to the Prime Minister's National Relief Fund or other funds set up by the Central Government for socio-economic development and relief.
- Rural development projects and sustainable livelihood enhancement projects.
- Any other activity falling within the purview of Schedule VII, as amended from time to time.

6. CSR Expenditure

NHPTL shall spend in every financial year the budgeted CSR head amounts in accordance with applicable provisions of the Companies Act, 2013.

The CSR expenditure shall include all direct and indirect costs incurred on CSR projects and programs approved by the Board. The budgeted provisions shall be made and get approved by the Board in line with the applicability as per Companies Act, 2013.

7. Implementation

The CSR activities may be implemented:-

- **Directly** by the NHPTL; or
- **Through an implementing agency** (registered trust, society, or Section 8 company) having valid CSR registration number as per Rule 4 of CSR Rules.

8. Monitoring and Reporting

- The CSR performance shall be reported to the Board of Directors at regular intervals.
- Details of the CSR Policy and initiatives undertaken shall be disclosed in the Board's Report and on the Company's website, if any, in the manner prescribed.

9. Unspent CSR Amount

Any unspent amount relating to an ongoing project shall be maintained as per statutory provisions in this regard.

10. Amendment / Review

This Policy shall be reviewed periodically by the CSR Committee or the Board, as applicable, and may be amended in line with statutory requirements or changes in the provisions of Companies Act 2013

11. Effective Date

This CSR Policy shall be effective from the date of applicability as per Companies Act 2013 and shall stand approved by the NHPTL Board.