

INDIANOIL SKYTANKING PRIVATE LIMITED

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

1.0 BACKGROUND:

With effect from April 1, 2014, every company, private limited or public limited, which either has a net worth of Rs 500 crore or more or a turnover of Rs 1,000 crore or more or net profit of Rs 5 crore or more, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility activities. The CSR activities should not be undertaken in the normal course of business and must be with respect to any of the activities mentioned in Schedule VII of the 2013 Act.

2.0 CSR VISION:

To pursue vision of IOSPL by addressing social concerns and making positive changes in the lives of stakeholders and communities through CSR programme and social initiatives.

3.0 CSR OBJECTIVE:

The main objective of CSR policy is to lay down guidelines for the Company to make CSR a key business process for sustainable development. It aims at supplementing the role of the Government in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities.

4.0 DEFINITIONS:

In this Policy, unless the context otherwise requires:

1. "Act" shall mean the Companies Act, 2013 including any modifications, amendments or re-enactments thereof.
2. "Board" or "the Board" means, the Board of Directors of the Company.
3. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules, 2014, including any modification, amendments or re-enactment thereof.
4. "Financial Year" shall mean the period beginning from 1st April every year to 31st March of the succeeding year.
5. "Agency" or "Agencies" shall mean: -
 - (a) a company established under section 8 of the Act or a registered trust or a registered society, established by the company, either singly or along with any other company, or

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(b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature:

Provided that- if the CSR activities undertaken through a company established under section 8 of the Act or a registered trust or a registered society, other than those specified in above (a) and (b) then such company or trust or society shall have an established track record of three years in undertaking similar programs or projects and the company has specified the projects or programs to be undertaken, the modalities of utilisation of funds of such projects and programs and the monitoring and reporting mechanism.

6. "The Committee" or "CSR Committee" shall mean the Corporate Social Responsibility Committee as constituted or reconstituted by the Board of Directors of the Company, from time-to-time, in accordance with the Act and the Rules made thereunder, comprising of three or more Directors.
7. "CSR Policy" shall mean the Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company including those specified in Schedule VII of the Act and the CSR Expenditure thereon.
8. "CSR Activities" shall mean Corporate Social Responsibility activities/ programs /initiatives /green belt/ Environment Protection / Ecological balance etc. either new or ongoing, at and around Corporate Office, project office, branch office of the Company, its subsidiaries and associates wherever located, including but not limited to those recommended by the CSR Committee and approved by the Board.
9. "CSR Expenditure" shall mean all CSR expenditure as recommended by the CSR Committee and approved by Board of Directors including the following:
 - i. Contribution to CSR activities which shall be implemented and /or executed by the Company.
 - ii. Contribution to CSR activities which shall be implemented and/or executed by the Company or through any other Agency or Agencies.
 - iii. Any other contribution covered under Schedule VII to the Act.
10. "Trust" shall mean a trust formed and registered under the Indian Trust Act, 1882 and includes a trust jointly formed and registered by the Company with all or any of its Group Companies.

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5.0 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board, in compliance of the provisions of Section 135 read with Companies (Corporate Social Responsibility) Rules, 2014 of the Companies Act, 2013, had constituted Corporate Social Responsibility Committee comprising of the Directors.

CSR Committee to, inter-alia, carry out following functions:

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- c. To monitor the CSR policy of the Company from time to time;
- d. To monitor the activities and expenditure made during year;
- e. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

6.0 CSR ACTIVITIES:

Schedule VII to the Companies Act, 2013 specifies activities which a Company is required to undertake. The Company may undertake any activities specified under said schedule VII. Currently the Company will focus to support and implement following activities as our thrust area:

- a. Promoting Health Care, Sanitation and make safe drinking water available;
- b. Promoting Education and Sports;
- c. Ensuring sustainable environment;
- d. Employment enhancement through training and vocational skill development;
- e. Livelihood opportunities through various modes;

The CSR Projects and programs to be undertaken by the Company shall include the activities falling within the perview of Schedule VII of Companies Act, 2013.

The projects and program will be executed either or and by

- a. IOSPL itself in partnership with local bodies, government bodies, various NGO partners, service providers and others, wherever feasible, or
- b. Through a registered trust or registered society, or
- c. Contribution to the corpus of a trust/society, whereas the trust and society is created exclusively to undertake the CSR activities and the corpus is created to undertake the activities as defined under the Companies Act, 2013.

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The Surplus and unutilised fund, if any arising out of CSR initiatives of the Company will be carry forward for next year and reallocated on the recommendation of committee and board's approval. This will not form part of its business profit.

7.0 FUNDING AND IMPLEMENTATION:

In alignment with the Companies Act, 2013, at least 2% of the average of net profits of the company made during the three immediately preceding financial years shall be earmarked as CSR Budget.

CSR Committee will ensure that the amount earmarked for CSR activities is spent for the identified CSR activities either directly by itself or through Agencies. The Committee will periodically identify the CSR activities, budget, planned expenditure and implementation schedule etc.

The annual planned expenditure for the CSR activities and manner of implementation etc. after review and consideration by the CSR committee, shall be submitted for approval of the Board in the following format.

Sl. No.	CSR Activities	Schedule of Implementation	Annual Budget	% of Allocation

CSR activities will be carried out directly or indirectly at the corporate office and other locations like Mumbai and Delhi, preferably in and around the areas of the projects of the Company. The CSR activities will be carried out/implemented, directly by the Company or indirectly through Agencies with due exercise of control. Preference will be given to activities that can be implemented directly by the Company and the provision of tangible, immovable facilities related to CSR activities. The Company has an option to spend such statutory minimum amount through one or more Agencies.

After Completion of the CSR project, the same shall be handed over to the users and responsibility of maintenance of the same shall rest with the users.

The Company shall endeavour to spend the entire amount of statutory minimum contribution limit in each Financial Year. However, if the Company is unable to do so, the Board shall specify the reasons for the same in its report to the shareholders in terms of Section 134 (3)(o) of the Act.

8.0 MONITORING MECHANISM:

- a. The CSR Committee shall meet at least twice in a year to monitor the implementation of CSR plan and its activities.
- b. Regular review of CSR Committee and reporting to Board on:
 - Amount spent on each activity.

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- In case the budgeted amount is not spent in a particular year, the reason for not spending the amount would be made on the Board's Report.
 - Achievement against milestone and objectives.
 - Report on CSR to be included in the Annual Report of the Company.
- c. The Committee shall ensure that the CSR Policy, as amended from time to time, is displayed on the Company's website.
- d. The Board shall include in its report to the shareholders, the annual report on CSR activities as per the format specified under the Rules.
- e. The Company Secretary of the Company shall assist the CSR activities and the Board for performing their duties under the CSR policy, any changes by the Government in the regulations governing the CSR activities.
- f. Utilisation Certificate with statement of expenditure duly certified by an Authorised Auditor will be submitted by the Agencies to whom the CSR fund is allocated.

9.0 REVIEW / AMENDMENTS:

The CSR Policy will be reviewed in every two year or as may be recommended by the CSR Committee. The Policy shall stand amended in case of any statutory modifications of amendments in the Act or Rules pertaining to CSR to the extent of such amendment.
