

**Corporate Social Responsibility
Policy**



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Delhi Aviation Fuel Facility Private Limited
Aviation Fuelling Station,
Shahbad Mohammad Pur,
IGI Airport,
New Delhi – 110061
www.daffpl.in










1.0. PREFACE

Delhi Aviation Fuel Facility Private Limited (DAFFPL) is committed to conduct its business in a socially responsible, ethical and environmental friendly manner and to continuously work towards improving quality of life of the communities in its Operational area. The objective of this Policy is to summarize and provide broad guidelines for the CSR activities of the Company in accordance with and subject to the compliance of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and 2022 and any subsequent amendments/guidelines/clarification/notification by Ministry of Corporate Affairs.

This Policy is intended to broadly highlight the procedures and guidelines to be followed by the Board of Directors, Corporate Social Responsibility Committee (CSR Committee) and Management while selecting, allocating funds, implementation or monitoring CSR activities or projects.

2.0. OBJECTIVE AND PURPOSE

The key objective of this Policy is to:

-  Outline the development areas in which the Company shall get involved in.
-  Define governance structure for CSR management within the Company.
-  Describe the treatment of surpluses from CSR activities and treatment of set off of excess amount spent on CSR Projects
-  Define the approach and direction given by the Board of the Company, taking into account the recommendations of the CSR Committee.
-  Provide guiding principles for selection, allocation, implementation and monitoring of the CSR projects.
-  Formulate an Annual Action Plan every year as per applicable rules.
-  Actively engage with relevant stakeholders either internal or external, understand their concerns and be responsive to their needs in a systematic process and address their issues in fair and equitable manner.
-  Engagement with the local communities
 - Respecting cultural ethnicity, dignity and foster positive relationship with the community in the project areas where the company operates.
 - Providing development opportunities to local communities in an appropriate manner, in consultation & cooperation with local government authorities and other stake holders as may be appropriate.
 - Aligning the CSR practices & programs to complement and support the developmental priorities at local, state and national level.
-  Environment Sustainability
 - Protect the environment and engage in environmental sustainability projects for water, waste or energy management, promotion of renewable sources of energy, biodiversity conservation, etc.
 - Projects for reduction, re-use and recycle of waste materials, rainwater harvesting and replenishing the ground water supply, protection, conservation and restoration of eco-system, reduction of carbon emissions through energy efficient and renewable energy technologies,
 - Greening the supply chain, and innovation in products and services which have a clear and tangible impact on environmental sustainability

3.0. APPLICABILITY

CSR Policy is applicable to Delhi Aviation Fuel Facility Private Limited (DAFFPL) as per Section 135 of the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

This Policy applies to all CSR projects that will be undertaken by DAFFPL and shall fulfil all the requirements of Section 135 of the Companies Act, 2013 and rules made thereunder. DAFFPL shall ensure all these activities are over and above the normal course of business and are in line with Schedule VII of the Companies Act, 2013. This Policy will be periodically reviewed and updated in line with the relevant codes of legislation and best practices that can be adopted by DAFFPL.

4.0. CSR ACTIVITIES

Schedule VII of the Companies Act, 2013 specifies the activities which a Company is required to undertake. The CSR activities of DAFFPL will be focused on the broad theme as mentioned below with a goal to improve overall socio-economic and sustainability indicators of company's area of operation:

- a. Promoting education, including special education especially among children, women and the differently abled.
- b. Promoting employment enhancement through training and vocation skills development.
- c. Livelihood enhancement projects.
- d. Eradicating hunger, poverty and malnutrition
- e. Promoting health care including preventive health care and sanitation and making available safe drinking water.
- f. Ensuring sustainable environment.
- g. Contribution to Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.

In addition to the areas specified above, the Company may select any area/ sector/ activity or head of activities, as may be specified in Schedule VII to the Companies Act, 2013 including any amendments or modifications as may be introduced from time to time.

All CSR projects will be in line with the CSR vision, as well as areas listed in Schedule VII of the Companies Act, 2013. CSR projects will be undertaken in India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level. It will not include the activities undertaken in pursuance of normal course of business of the Company, projects benefitting the employees of the Company (as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019) and as amended from time to time), or contributions of any amount directly or indirectly to any political party.

All CSR activities will be in project mode and will not include activities supported on sponsorship basis for deriving marketing benefits for its products or services or activities carried out for fulfilment of any other statutory obligations under any law in force in India. Company shall select project-based activities with identifiable commencement and completion date/year of the project. Additional activities may be included in the project with the approval of the Board of Directors. Monitoring and reporting shall be on project level.

The CSR activities will be carried out preferably in and around the areas of the operating location of the Company.

Initial Projects

The initial list of CSR projects and program of the company is as per Annexure A.

5.0. GOVERNANCE STRUCTURE

5.1. BOARD OF DIRECTORS

Board of Directors is entrusted with the ultimate compliance of the provisions related to CSR of the Company. The Board shall be responsible for, inter alia:

- a. the CSR activities undertaken by the entity mentioned in Rules.
- b. Utilization of CSR funds for the purposes and in the manner as approved by the Board.
- c. assurance that the administrative overheads are not more than 5% of the total CSR Expenditure.
- d. Approval of Annual Action Plan.

5.2. CSR COMMITTEE

DAFFPL has constituted Corporate Social Responsibility Committee (the “CSR Committee”) in line with Section 135 of the Companies Act, 2013 (the “Act”). The CSR Committee consists of following members of the Board:

- a. One nominated director of Indian Oil Corporation Limited
- b. One nominated director of Bharat Petroleum Corporation Limited
- c. One nominated director of Delhi International Airport Limited

The CSR Committee of the Board shall be responsible for:

- Formulation and recommendation of Annual Action Plan.
- Review of CSR activities in the Company.
- Formulation of CSR Policy.
- Monitoring of implementation of CSR Policy.
- Recommend to the Board, modifications to CSR Policy as and when required.
- Appraise to the Board the CSR expenditure done during the year.






5.3. CSR TEAM

Dedicated CSR team shall be constituted from among the employees at DAFFPL, for implementing the CSR Policy and shall work at grass root level under the guidance of CSR Committee and will be mainly responsible for:

- Execution of the CSR Policy.
- Identify projects and key initiatives pursuant to CSR Policy.
- Facilitating allocation of funds to the projects as identified for CSR activities.
- Monitoring CSR Projects to establish effectiveness of CSR efforts and appraise the same to CSR Committee.
- Compilation of information & preparation of Annual Reports on CSR activities and presenting the same to CSR Committee.
- Any other activity necessary to ensure achievement of CSR objectives.

6.0. ANNUAL ACTION PLAN

The CSR Committee shall formulate and recommend to the Board, an Annual Action Plan in pursuance of the CSR policy, which shall include the following:

-  The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act
-  The manner of execution of such projects or programmes
-  The modalities of utilization of funds and implementation schedules for the projects or programmes
-  Monitoring and reporting mechanism for the projects or programmes
-  Details of need and impact assessment, if any, for the projects undertaken by the company

The Board may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

7.0. IMPLEMENTATION

The CSR Projects will be executed by,

- a. DAFFPL itself; or
- b. Company established under Section 8 of the Act, or Registered Public Trust, or Registered Society established by the Company, either singly or along with any other Company, OR
- c. Company established under Section 8 of the Act, or Registered Public Trust, or Registered Society established by Central Govt. or State Govts., OR
- d. Any entity established under an Act of Parliament or State Legislature, OR
- e. Company established under Section 8 of the Act, or Registered Public Trust, or Registered Society having an established track record of at least three years in undertaking similar activities.

Every entity mentioned above shall obtain unique CSR Registration Number.

Company shall not engage any international organization as implementing agency.

The procedure for selection of the Implementing Agencies is broadly outlined in Annexure B.

8.0. MONITORING MECHANISM

Monitoring of CSR & Sustainable activities would be done periodically which may include:

- Regular interaction and follow up by CSR Team with implementing agencies.
- Third party assessment of Projects/activities /Program.
- Baseline and impact assessment with key indicators.
- Regular review by CSR committee and reporting to Board on
 - amount spent on each activity
 - in case the budgeted amount is not spent in a particular year, the reasons for not spending the amount would be made in the Board's report
 - achievement against milestone and objectives
 - Report on CSR to be included in the Annual Report of the Company

9.0. REPORTING

- 9.1. The CSR Committee of the Board, based on reports presented by the CSR Team, will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act 2013 and rules made thereunder.
- 9.2. The CSR Policy on being approved by the Board shall be displayed on the website of the Company and any modifications carried out from time to time shall also be updated on the website of the Company respectively.
- 9.3. Composition of CSR Committee, CSR Policy and Projects approved by the Board shall be disclosed in website of the Company.

10.0. TREATMENT OF SURPLUS

Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within such

DELHI AVIATION FUEL FACILITY PRIVATE LIMITED
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Ref: DAFFPL/CSR/02

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period and with such terms and conditions as may be prescribed under Section 135 of the Act read with relevant rules applicable.

11.0. TREATMENT OF SET OFF

If the Company spends an amount in excess of the requirements provided under the Act, then the Company may set off such excess amount against the requirement to spend under sub-section 5 of Section 135 for such number of succeeding financial years and in such manner, as may be prescribed under the Act and rules made thereunder.

12.0. TREATMENT OF UNSPENT CSR FUND

Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the "Unspent Corporate Social Responsibility Account". Such amount shall be spent by the company towards any activity under the same ongoing CSR Projects within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.

In case amount laying in Unspent CSR Account could not be exhausted even after completion of Ongoing Project, same may be utilized for other CSR Projects / activities with approval of the Board of Directors on recommendation of CSR Committee.

13.0. REVIEW OF POLICY

The CSR policy will be reviewed every two year or as may be recommended by the CSR Committee. The CSR policy shall also be hosted on the website of the Company.

Based on the requirements, the relevant clause of this Policy may be revised, changed, altered, amended or modified or deleted from time to time by the Board of Directors, subject to the compliance of Companies Act, 2013.

Annexure A

Project Shiksha

Long term program in partnership with NGO and local government to improve the quality of education in government school. Program aims to improve academic performance, enrolment, girls' education and adult education, reduction in dropout rate.

Providing access to sanitation facilities and safe drinking water to adjoining villages and schools. Providing drinking water through "Water ATM" and by setting up water kiosks in govt. schools using RO technology.

Project Utthan

Employment linked vocational training in partnership with National Skill Development Corporation (NSDC)/Foundations

Undertake community need based projects that improve quality of life and promote local community development

Project Swachhta

Control of prevalent diseases and improve the primary health access, medical camp, distribution of medicines etc.

Providing access to sanitation facilities and safe drinking water to adjoining villages and schools. Providing drinking water through "Water ATM" and by setting up water kiosks using RO technology.

Sustainable Environment

Rainwater harvesting and replenishing the ground water supply, protection, conservation and restoration of eco-system, reduction of carbon emissions through energy efficient and renewable energy technologies. Oil water separator system and other environment friendly initiatives in operational and surrounding area.

Annexure B

PROCEDURE FOR SELECTION OF IMPLEMENTING AGENCY

A selection Committee consisting of one CSR Personnel and one finance personnel along with Company Secretary will evaluate the implementing agencies identified as per below procedure.

- Implementing agencies will be identified in accordance with Rule 4 of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022 and any subsequent amendments/guidelines/clarification/notification by Ministry of Corporate Affairs.
- Identified implementing agencies shall be with at least 3 years established track records in the identical or similar activities working preferably in Delhi NCR.
- Evidence (photographs/ work orders/ certificates etc.) of the previous activities shall be kept in record by the Company along with necessary copy of registration, Annual Reports etc.
- The Committee will also put best effort to verify the authenticity of the previous work of the implementing agencies.
- Implementing agencies shall be shortlisted by giving preference to entities having experience in identical/similar activity working in Delhi NCR.
- The proposals from the shortlisted implementing agencies shall be placed before the management for review.
- Proposals from shortlisted entities shall be placed before CSR Committee for recommendation to the Board.
- The proposals shall be approved by the Board on recommendation of CSR Committee.
