

DREDGING CORPORATION OF INDIA LIMITED CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY POLICY

DCI's Corporate Mission is to provide integrated dredging and related marine services including beach nourishment, reclamation, inland dredging, environmental protection for promoting the national and international maritime trade, and to become a global player in the field of dredging.

DCI's Corporate Social Responsibility & Sustainability Policy (CSRS Policy) aims to integrate its Corporate Mission with the Social responsibility and sustainable development by complementing the efforts of the Government in the nation-building process by contributing to basics of life in harmony with nature in a socially, economically and environmentally sustainable manner at all times. In this direction DCI will contribute to the social and economic development of the communities in which the Company operates by focussing mainly on the areas such as education, health, environment, women empowerment, livelihood promotion, sanitation, slum improvement and disaster management in a manner that is beneficial to both business and society.

1. Sub-Committee of Board of Directors:-

A Sub-Committee of Directors with three Members of the Board including an independent Director is constituted to monitor and evaluate the implementation of the CSR and sustainability Activities.

The broad functions and powers of the sub-Committee are as under:-

- 1) To finalise the CSR activities as identified by the Core Group as per those listed in the Companies Act and Rules made thereunder.
- 2) To oversee the implementation of the CSR initiatives
- 3) To identify/ make appointment of Specialist Agencies as logistic partners for implementation of CSR initiatives.
- 4) To draw up Long Term/ short Term and Annual CSR Plans and allocate budgets.
- 5) The Committee is authorised to approve the expenditure towards CSR. The payments will be made by the Company either directly to Government institution(s)/Partner Agency or directly to the vendor.
- 6) The Sub-committee is delegated the powers as the sanctioning, approving and competent authority for all purposes for implementation of the CSR initiatives within the overall budget sanctioned by the Board. The Committee may authorise/ delegate administrative/financial powers as may be deemed fit for speedy implementation of the CSR activities.
- 7) The Sub Committee shall have meeting at regular intervals and atleast one meeting should be held in each quarter. The Committee may accord approval to the proposals either by circulation or in a meeting held as per the provisions of the Companies Act.

- 8) In case of non-availability of any independent director due vacancy in the post of independent director, then the CSR activity can be carried forward with the approval of the Board.

2. Core-Group:-

The Board/Sub-Committee will constitute a three Member Core Group of employees of the Company including a Resource Person for implementation of the CSR Activities. The Core Group will be responsible for implementation of CSR initiatives.

The broad role and functions of the Core Group are as under:-

- 1) Identification of CSR activities
- 2) Drawing up plans for implementation of CSR activities, budget requirements and getting the same approved by the Sub-Committee.
- 3) Identification of specialist agencies as may be required as logistic partners for implementation of the CSR activities and approval of the Sub-Committee for appointment of the Agencies including their role and functioning.
- 4) The Resource Person is authorised to interact with Government/District Administration/local bodies etc., and specialist Agencies as may be required for implementation of CSR activities.
- 5) Any other activity as may be necessary for implementation of the CSR activities as may be delegated by the Sub-Committee.

3. Funding:-

The Company would contribute 2% of the average net profits made during three immediately preceding financial years in pursuance of the CSR activities in the current year.

4. Budget :-

A CSR budget would be prepared allocating the funds to different CSR activities as may be identified from time to time within the overall Budget allocated by the Company. Re-appropriations within the Budget may be done by the Sub-Committee as per the requirements.

5. CSR activities:-

The CSR activities would primarily focus on initiatives such as education, health, environment, women empowerment, livelihood promotion, sanitation, slum improvement and disaster management. Initiatives of State Governments as well as Central Government Departments /Agencies could be synergised with CSR activities. The activities should come within the scope those listed in the Companies Act and Rules made thereunder.

6. Partnerships:-

For effective programme design, management and delivery, specialist agencies including NGOs, Institutes, Academic Organizations, Civil Society/Community-based organisations, Trusts, Missions etc., who have requisite expertise in the field are to associated. Utmost efforts to be made to find out the reliability, and

track record of the Agencies entrusted with CSR activities. The identification of the agencies and entering into Memorandum of Understanding/ Agreement with the Agencies by the core group will be done with the approval of the sub-Committee.

7. Monitoring:-

The CSR activities should be closely monitored and reported to the Board. A review report of the progress of the CSR activities shall be submitted to the Board for every quarter.

8. Miscellaneous:-

Notwithstanding anything contained in this Policy, the provisions of the Act and Rules made thereunder as amended from time to time will prevail. The Company is also required to comply with the requirements of DPE guidelines issued by Government in this regard from to time.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the company.

9. Applicability:-

The CSRS Policy will be effective from the financial year 2014-15 onwards.
