

**DREDGING CORPORATION OF INDIA LIMITED  
VISAKHAPATNAM**

**CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR  
MANAGEMENT PERSONNEL**

**1. Introduction**

- 1.1 This code of Conduct ("this Code") shall be called "The Code of Conduct for Board Members and Senior Management Personnel" of Dredging Corporation of India Limited (hereinafter referred to as "the Company").
- 1.2 The subject code has been framed specifically in compliance with the provisions of clause 49 of the listing agreement with stock exchanges.
- 1.3 The purpose of this code is to enhance further an ethical and transparent process in managing the affairs of the Company.
- 1.4 It shall come into force with effect from 31-12-2005.

**2. Definitions & Interpretations:**

- 2.1 The term "Board Members" shall mean Directors on the Board of Directors of the Company.
- 2.2 The term "Whole-time Director" shall be the Directors on the Board of Directors of the Company who are in whole-time employment of the Company.
- 2.3 The term "Part-time Director" shall mean Directors on the Board of Directors of the Company who are not in whole time employment of the Company.
- 2.4 The term "Relative" shall have the same meaning as defined in Section 6 of the Companies Act, 1956. (Enclosure - I)
- 2.5 In this code words importing the masculine shall include feminine and words importing singular shall include the plural or vice versa.

**3. Applicability:**

- 3.1 This code shall be applicable to the following persons:
  - a) All whole-time Directors of the Company.
  - b) All part-time Directors.
  - c) Senior Management Personnel as per Enclosure - II.
- 3.2 The whole-time Directors and Senior Management Personnel should continue to comply with other applicable/ to be applicable policies, rules and procedures of the Company.

#### **4. Key Requirements**

The Board Members and Senior Management Personnel must act within the authority conferred upon them and in the best interests of the company and observe the following code of conduct:

- Shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct while working for the Company as well representing the Company without allowing their independent judgment to be subordinated and fulfill the fiduciary obligations.
- Shall not involve themselves in making any decision on a subject matter in which a conflict of interest arises or could arise, between the personal interest and the interest of the Company. In the event of apprehending of such conflict of interest, the relevant facts shall be disclosed in writing explaining the circumstances that create or could create the conflicts of interest to: (a) Board of Directors in case of Directors (whole-time & part-time) and (b) Chairman in case of Senior Management Personnel for further directions in the matter.
- Shall avoid conducting business with a relative or with private Company in which the relative is a member or a public limited company in which a relative holds 2% or more shares or voting right or with a firm in which a relative is a partner.
- Shall avoid having any personal financial interest in works or contract awarded by the Company.
- Shall avoid any relationship with a contractor or supplier that could compromise the ability to transact business on a professional, impartial and competitive basis or influence decision to be made by the Company.
- Shall not hold any positions or jobs or engage in outside businesses or other interests that adversely affect the performance of duties of the Company. Whole-time Directors and Senior Management Personnel are expected to devote their full attention to the business interest of the Company.
- Shall not exploit for their own personal gain, opportunities that are discovered through company's business, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and Chairman as the case may be.
- Shall comply with all applicable laws, Company, Government and CVC Rules and Regulations in general and with respect to accepting or offering gifts, donations and hospitality and any violation thereon may make them personally liable. Directors and Senior Management Personnel may be subjected to disciplinary action by the Company for violation of provisions of law.

- Shall not serve as a Director of any other Company or as a partner of a firm that competes with the Company. Whole Time Directors and Senior Management Personnel shall obtain approval of the Chairman prior to accepting Directorship of any other Company or partnership of a firm.
- Shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company, not in public domain and therefore constitute insider information. The Board Members and Senior Management Personnel shall make timely disclosures of (i) trading in the shares of the Company, (ii) transactions having personal interest and (iii) related party transactions that are required to be made under laws, rules & regulations and Code for prevention of Insider Trading in the Securities of Steel Authority of India Limited.
- Any information concerning the Company's business, its customers, suppliers, etc, which is not in the public domain and to which the Board Members and Senior Management Personnel has access or possesses such information, must be considered confidential and held in confidence, unless authorized to do so and when disclosure is required as a matter of law. No Board Members and Senior Management Personnel shall provide any information either formally or informally, to the press or any other publicity media, unless specifically authorized.
- Shall protect the Company's assets, labour and information and may not use these for personal use, unless authorized to do so.

#### **5. Enforcement of Code of Conduct.**

- i) Company Secretary shall be the Compliance Officer for the purpose of this code.
- ii) Each Board Member and Senior Management Personnel shall be accountable for fully complying with this code.
- iii) Compliance Officer shall report breach of this code, if any, which comes to his notice to the: (a) Board in case of all Board members and (b) Chairman in case of Senior Management Personnel
- iv) All Board Members and Senior Management Personnel shall be subject to any internal or external investigation of possible violations of this code.

The Company shall ensure confidentiality and protection to any person who has, in good faith, reported a violation or a suspected violation of law, of this code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation.

- v) Penalty for breach of this code by Senior Management Personnel shall be determined by the Chairman. In case of breach of this code by the Whole-time Directors and/or Part-time Directors, the same shall be examined by the Board.
- vi) Penalty may include serious disciplinary action, removal from office and dismissal as well as other remedies, including recommendations for any of the above penalty, to the extent permitted by law and as considered appropriate under the circumstances.

## **6. Waiver and Amendments of the code**

- 6.1 No waiver of any of the provisions of this code shall be valid unless, the Board of Directors of the Company approves such waiver in case of Board members and by Chairman in case of Senior Management Personnel.
- 6.2 The provisions of this code can be amended by the Board of Directors of the Company from time to time.

## **7. Insertion of the code in website**

As required by clause 49 of the listing agreement this code and any amendments thereto shall be posted on the website of the Company.

## **8. Affirmation of compliance of the code**

It terms of clause 49 of the listing agreement all Board members and Senior Management Personnel shall within 30 days of close of every financial year affirm compliance with the Code. A proforma of Annual Compliance Report is annexed to this Code as Enclosure - III. The Annual Compliance Report shall be forwarded to the Compliance Officer of the Company.

## **9. Acknowledgement of receipt of the code**

All Board Members and Senior Management Personnel shall acknowledge the receipt of this code in the acknowledgement form annexed to this Code (Enclosure -IV) indicating that they have received, read and understood, and agreed to comply with the code and send the same to the Compliance Officer. Upon revision of this code, the Board Members and Senior Management Personnel shall acknowledge and execute an understanding of the Code (Enclosure -IV) and an agreement to comply. New Directors will sign such a deed (Enclosure -IV) at the time when their directorship begins.

**ENCLOSURE – I to the Code of Conduct**

**DREDGING CORPORATION OF INDIA LIMITED  
VISAKHAPATNAM**

Extract of Section 6 of the Companies Act, 1956

6. A person shall be deemed to be a relative of another if, and only if:-

- (a) they are members of Hindu undivided family; or
- (b) they are husband and wife; or
- (c) the one is related to the other in the manner indicated in Schedule IA

**Schedule 1A**  
List of relatives

- 1. Father
- 2. Mother (including step-mother)
- 3. Son (including step-son)
- 4. Son's wife
- 5. Daughter (including step-daughter)
- 6. Father's father
- 7. Father's mother
- 8. Mother's mother
- 9. Mother's father
- 10. Son's son
- 11. Son's son's wife
- 12. Son's daughter
- 13. Son's daughter's husband
- 14. Daughter's husband
- 15. Daughter's son
- 16. Daughter's son's wife
- 17. Daughter's daughter
- 18. Daughter's daughter's husband
- 19. Brother (including step-brother)
- 20. Brother's wife
- 21. Sister (including step sister)
- 22. Sister's husband.

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**ENCLOSURE – II to the Code of Conduct**

**DREDGING CORPORATION OF INDIA LIMITED  
VISAKHAPATNAM**

**LIST OF EXECUTIVES AS SENIOR MANAGEMENT PERSONNEL FOR THE  
PURPOSE OF CLAUSE 49 OF THE LISTING AGREEMENT**

<b>Sl.No.</b>	<b>Department/ Division</b>	<b>Present Designation the Head of the Department/ Division</b>
1.	Operations	GM (Ops.)
2.	Technical	GM (T)
3.	Finance	GM (F)
4.	Personnel and Administration (HR)	GM (HR)
5.	Health, Safety and Environment	GM (HSE)
6.	IT	GM (IT)
7.	Marketing	GM (Mktg.)
8.	Vigilance	CVO
9.	Internal Audit	DGM (IA)
10.	Legal	Manager (V & L)
11.	Company Secretary	Company Secretary

**Note:** In case the post of Head of Department/ Division is vacant, then the officer acting as in-charge or Head of Department/ Division shall qualify as Senior Management for this purpose.

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**ENCLOSURE – III to the Code of Conduct**

**DREDGING CORPORATION OF INDIA LIMITED  
VISAKHAPATNAM**

**CODE OF CONDUCT**

**AFFIRMATION WITH REGARD TO COMPLIANCE OF CODE OF  
CONDUCT**

I have received and read the Code of Conduct for the Board Members and Senior Management Personnel (the “Code”). I understood the standards and policies contained in the Code and understand that there may be additional policies or laws specific to my job.

I hereby affirm that I have to the best of my knowledge complied with the Code in the year 20xx – xx ( *xx- include the year under consideration*)

Name : \_\_\_\_\_  
(Director/ Senior management personnel)

Signature : \_\_\_\_\_

Date : \_\_\_\_\_

**ENCLOSURE – IV to the Code of Conduct**

**DREDGING CORPORATION OF INDIA LIMITED  
VISAKHAPATNAM**

**CODE OF CONDUCT**

**ACKNOWLEDGMENT OF RECEIPT TO BE GIVEN BY DIRECTORS AND SENIOR  
MANAGEMENT PERSONNEL**

I have received and read the Code of Conduct for the Board of Members and Senior Management Personnel (the "Code"). I understood the standards and policies contained in the Code and understand that there may be additional policies or laws specific to my job. I agree to comply with the Code.

If I have questions concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements applicable to my job, I understand I can consult the Compliance Officer and that my questions or reports to these sources will be maintained in confidence.

Name : \_\_\_\_\_  
(Director/ Senior management personnel)

Signature : \_\_\_\_\_

Date : \_\_\_\_\_

Please sign and return this form to the Compliance Officer.