

CORPORATE SOCIAL RESPONSIBILITY POLICY – DIL LIMITED

PREAMBLE AND VISION

Preamble:

Continuing with the legacy of practicing CSR activities of our founder members, DIL has been committed to the cause of CSR for many years. Over the years, our CSR activities have diversified and expanded into new communities and in turn benefitted more and more stakeholders. Today our Company firmly believes that corporate citizens have a vital role to play in empowering and enriching the communities and its stakeholders.

Section 135 of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 has made it mandatory for every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year to implement a Corporate Social Responsibility (CSR) Policy and constitute a Corporate Social Responsibility Committee of the Board.

There is a growing realization that long-term business success can only be achieved by companies that recognize CSR as its responsibility in the progress and benefits to the society as well. It is a strategy that aims to ensure the long-term viability of the business, by participating in the development of the community and the environment through CSR initiatives. As rightly said by a corporate leader, "Give back (a part) to the people what you have earned from them".

DIL seeks to be a good corporate citizen in everything that it does.

We are therefore determined to bring together our CSR initiatives by reference to relevant provisions of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

Vision:

To adopt corporate social responsibility policy as a strategic tool, to empower the stakeholders and society at large, through sustainable economic development of the communities and company as well.



The Objective:

The CSR Committee aims to ensure that corporate social responsibility is an integral part of the Company's strategy and that DIL continues to have a positive impact on people and communities, whilst contributing to a sustainable future for the business and everyone connected to it. The Committee shall oversee the preparation and roll-out of CSR initiatives.

CONSTITUTION OF COMMITTEE:

The Board of Directors, in its meeting held on May 30, 2014 had constituted the CSR Committee comprising of the following members:

1. Mr. G.G Desai
2. Mr. Sanjay Buch
3. Mr. Vinayak Hajare
4. Mr. Krishna Datla, and
5. Mr. Satish Varma

By invitation:

1. Mr. Keshav Kashid
2. Mr. Srikant Sharma

ROLE OF THE MEMBERS OF THE CSR COMMITTEE:

The DIL CSR Committee's duties include reviewing and agreeing the Company's CSR strategy, developing policies on various CSR related matters for consideration by the Board of Directors, reviewing the activities of the executives who are responsible for matters which are CSR related and monitoring performance of the Company against its policies and any associated targets. It also takes responsibility for the Company's CSR report.

In addition, the CSR Committee shall oversee the Company's implementation of its business ethics policy and guidelines and examine the way the Company operates whistle-blowing hotlines and is working to improve health and safety for its employees.

TERMS OF REFERENCE FOR THE CSR COMMITTEE :

1. Constitution



The Committee has been established by resolution of the Board of Directors of the Company dated May 30, 2014 (the "Board") and is to be known as the Corporate Social Responsibility (or CSR) Committee.

2. Membership

2.1 The members of the CSR Committee shall be appointed by the Board from amongst the directors of the Company and shall consist of at least four members, majority of who are independent directors.

2.2 The Board shall appoint a chairman of the CSR Committee (the "Chairman") and shall decide his or her period of office. The Chairman shall be an independent non-executive director.

2.3 The Board shall regularly review the membership of the CSR Committee to ensure that membership is refreshed and undue reliance is not placed on particular individuals as regards membership of the CSR Committee and other Board committees.

2.4 The CSR Committee may invite the chairman and the chief executive of the Company or any other person to advise and/or to join meetings of the CSR Committee when required notwithstanding that they are not members of the CSR Committee.

2.5 The CSR activities shall be undertaken by the Company, as per herein stated CSR Policy, as projects or programs or activities excluding activities undertaken in pursuance of its normal course of the Company's business.

2.6 The Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company under section 8 of the Companies Act, 2013 or otherwise;

2.7 The Company may also collaborate with other companies for undertaking projects or programs of CSR in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with the Companies Act, 2013 and the Rules made thereunder.

3. Quorum

A quorum shall be two members. A duly convened meeting of the CSR Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the CSR Committee.



4. Attendance at Meetings

No one other than the CSR Committee Chairman and other members is entitled to be present or vote at a meeting of the CSR Committee.

5. Secretary

The Company Secretary shall act as the secretary of the CSR Committee and shall keep a record of the membership of and the dates of any changes to the membership of the CSR Committee.

6. Frequency of Meetings

Meetings shall be held at such times as the CSR Committee deems appropriate, and in any event shall be held not less than twice a year.

7. Proceedings

7.1 Unless varied by these terms of reference, meetings and proceedings of the CSR Committee will be governed by the Company's articles of association regulating the meetings and proceedings of Directors.

7.2 Meetings of the CSR Committee shall be summoned by the Secretary of the CSR Committee at the request of the Chairman or any member thereof.

7.3 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and supporting papers, shall be sent to each member of the CSR Committee and any other person required to attend not later than 48 hours prior to the date of the meeting.

7.4 The Secretary to the CSR Committee shall record the proceedings and resolutions of meetings of the CSR Committee and shall circulate the minutes of such meetings to all members of the CSR Committee, the Chairman of the Company and, if the Chairman so decides, to all members of the Board.

7.5 In the absence of the CSR Committee Chairman and/or an appointed deputy, those members present shall elect one of their members to chair the meeting.



8. Authority

8.1 The CSR Committee is authorised by the Board at the expense of the Company to investigate any matter within its terms of reference. It is authorised to seek any information that it requires from any employee in order to perform its duties and all employees are directed to cooperate with any requests made by the CSR Committee.

8.2 The CSR Committee is authorised by the Board at the expense of the Company to obtain external professional advice and to secure the attendance of third parties with relevant experience and expertise at meetings of the CSR Committee if it considers this necessary.

8.3 These terms of reference may be amended from time to time as required, subject to approval by the Board.

9. Responsibilities

9.1 The responsibilities of the CSR Committee shall be to:

9.1.1 review, agree and establish the Company's CSR strategy to ensure that it remains an integral part of the DIL's strategy and its implementation in practice and that the Company's social, environmental and economic activities are aligned with each other.

9.1.2 develop and recommend for acceptance by the Board, policies on all aspects of CSR including employment issues, health & safety, human rights, workforce diversity & inclusion, the environment, community & social investment, compliance with ethical trading & business practices and CSR related matters as prescribed by the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and as may be determined by the CSR Committee from time to time in alignment with the Company's CSR Policy Document.

9.1.3 receive reports and review activities from executive and specialist groups managing CSR matters across the Company's operations.

9.1.4 monitor compliance with the CSR policies in the Company and to review performance against agreed targets.

9.1.5 review the integration of CSR processes with the Company's broader business risk management programme and reputation management priorities.

9.1.6 develop and encourage effective two-way communication concerning CSR issues within the business.



9.1.7 ensure CSR-related issues are considered during acquisition due diligence and that a process exists to provide feedback to the Company's Chief Financial Officer.

9.1.8 review best practice in key CSR areas by appropriate external reports and by benchmarking where possible.

9.1.9 consider other topics, as referred to it by the Board.

10. Reporting Procedures

10.1 The CSR Committee shall:

10.1.1 report to the Board on its proceedings after each meeting on all matters within the scope of its duties and responsibilities.

10.1.2 make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is required.

10.1.3 report on its responsibilities and activities during the financial year in a CSR Report to be published at the same time as the Company's annual report and accounts.

11. Annual General Meeting

The Chairman of the CSR Committee shall be available at the Annual General Meeting to answer questions on the CSR Committee's activities and its responsibilities. He or she should also ensure that the Company makes adequate disclosures to the shareholders about CSR activities in the same way as for other matters.

CSR FUND

- 1) 02% of the average net profits of DIL made during the three immediately preceding financial years will be allocated as the Annual CSR Fund at the end of every financial year. The CSR Committee will finalize the projects along with its budget, to be undertaken in a particular financial year, subject to approval of the Board of Directors of DIL.
- 2) The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of DIL.



- 3) CSR expenditure shall include all expenditure including contribution to corpus, programmes relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities provided in this Policy.
- 4) The Committee shall be responsible for the maintenance of accounts of the CSR Fund on yearly basis.

PROPOSED CSR ACTIVITIES:

The Company shall carry out (amongst others) the following CSR activities in isolation, conjunction and/or in any permutation or combination as may be approved by the CSR Committee in its discretion::

- a. Promoting preventive health care and sanitation and making available safe drinking water.
- b. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- c. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- d. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.
- e. To promote sports activities.
- f. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- g. Activities as prescribed in Schedule VII of the Companies Act, 2013.



h. Any other activities as may be decided by the CSR Committee from time to time;

For DIL LIMITED CSR COMMITTEE

G.G Desai
Chairman

A circular blue stamp with the text "DIL Limited" at the top and "Thane" at the bottom, with a star at the bottom center. Overlaid on the stamp is a handwritten signature in black ink that reads "G.G. Desai". A long horizontal line is drawn below the signature.

Date: August 12, 2014

Place: Thane