

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

1.0 INTRODUCTION

- 1.1 This Code of Conduct (“this Code”) shall be called "The Code of Conduct for Board Members and Senior Management Personnel” of KONKAN LNG LIMITED (hereinafter referred to as “the Company”).
- 1.2 The purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company.
- 1.3 This Code for Board Members and Senior Management Personnel has now been framed specifically in compliance of the provisions DPE Guidelines on Corporate Governance for CPSEs.
- 1.4 It shall come into force with effect from the date of approval of the Board i.e. 09.06.2020 and the amendments to the code, if any, shall be effective from the date on which it is notified from time to time.

2.0 DEFINITIONS & INTERPRETATION

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them below:

- 2.1 The term “Board Members” shall mean the Directors on the Board of Directors of the Company.
- 2.2 The term “Whole-time Directors” shall mean the Board Members who are in whole-time employment of the Company.
- 2.3 The term “Non-executive Director”/ “Part time Directors” shall mean the Board Members who are not in whole time employment of the Company.
- 2.4 The term “Relative” shall mean ‘relative’ as defined in Section 2(77) of the Companies Act, 2013 read with Rule 4 of the Companies (Specification of Definitions details) Rules, 2014. (Refer Appendix-I).
- 2.5 The term “Senior Management Personnel” shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would comprise of all members of management one level below the Chief Executive Officer/Managing Director/whole time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and shall specifically include Company Secretary and Chief Financial Officer.
- 2.6 The term “the Company” shall mean Konkan LNG Limited.

Konkan LNG Limited

In this Code, words importing the masculine gender shall include feminine gender and words importing singular shall include the plural or *vice versa*.

3.0 APPLICABILITY

3.1 This Code shall be applicable to the following personnel:

- a) Whole time Directors
- b) Part time Directors including Independent Directors under the provisions of law.
- c) Senior Management Personnel

4.0 KEY REQUIREMENTS

The Board Members and the Senior Management Personnel shall act within the authority conferred upon them, keeping in view the best interests of the Company and observe the following:

- act with diligence and integrity
- act in utmost good faith
- not involve in taking any decision on a subject matter in which a conflict of interest arises or which, in his opinion, is likely to arise.
- avoid conducting business with (a) a relative (b) a Private Limited Company in which he or his relative is a Member or a Director (c) a Public Limited Company in which he or his relative holds 2% or more shares or voting right and (d) with a firm in which the relative is a partner, except with the prior approval of the Board.
- disclose and avoid having any personal and/or financial interest in any business dealings concerning the Company
- avoid any dealings with a Contractor or Supplier that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made by the Company.
- not hold any positions or jobs or engage in outside businesses or other interests that are prejudicial to the interests of the Company.
- not exploit for their own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the opportunity is disclosed and permission obtained from the Competent Authority.
- not make any statement which has the effect of adverse criticism of any policy or action of the Government or of the Company or which is capable of embarrassing the relations between the Company and the public or the management of the Company and its employees, including the stakeholders.

- not commit any offence involving moral turpitude or opposed to public policy resulting in a conviction.

5.0 DUTIES DIRECTORS

The Director(s) of a company shall:

1. act in accordance with the articles of the company.
2. act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
3. exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
4. not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
5. not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
6. not assign his office.

6.0 DUTIES OF INDEPENDENT DIRECTORS

The Independent Directors shall:

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
2. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. strive to attend the general meetings of the company;
6. where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
7. keep themselves well informed about the company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
10. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

11. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

7.0 COMPLIANCE OF LAW

The Board Members and Senior Management Personnel shall comply with all applicable laws, rules and regulations.

8.0 OTHER DIRECTORSHIPS

Unless specifically permitted by the Board, the Board Members shall not serve as Director of any other Company or as Partner of a Firm that is engaged in a competing business with the Company. This clause is not applicable to *Ex-officio* Government Nominee Directors.

Senior Management Personnel shall obtain prior approval of the Chairman/ Managing Director/ Chief Executive Officer/ Competent Authority for accepting Directorship of any other company or partnership of a firm.

10.0 RELATED PARTY DISCLOSURES

The Board Members shall make disclosure to the Board of Directors and Senior Management Personnel shall make disclosure to the Chairman/ Chief Executive Officer /Competent Authority as per provision of the Companies Act, 2013 and Rules/Regulations made thereunder.

11.0 CONFIDENTIALITY OF INFORMATION

Any information concerning the Company's business, its customers, suppliers, etc. and to which the Board Members and Senior Management Personnel have access or possesses such information, is to be considered confidential and held in confidence. 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. Provided that Board Members and Senior Management Personnel shall be free to disclose such information as is:

- (a) part of the public domain at the time of disclosure;
- (b) authorized or required to be disclosed pursuant to a decision of the Board;
- (c) required to be disclosed in accordance with applicable laws, rules, regulations, guidelines or to any authority

12.0 PROTECTION OF ASSETS

The Board Members and Senior Management Personnel shall protect the Company's assets including physical assets, information and intellectual rights and not use the same for personal gain.

13.0 ENFORCEMENT OF CODE OF CONDUCT

Each Board Member and Senior Management Personnel is accountable for complying with this Code.

14.0 AMENDMENTS TO THE CODE

The provisions of this Code can be amended/modified by the Board of Directors of the Company and all such amendments/ modifications shall take effect from the date stated therein.

15.0 PLACEMENT OF THE CODE ON WEBSITE

Pursuant to DPE Guidelines on Corporate Governance for CPSEs, this Code and any amendments thereto shall be posted on the website of the Company.

16.0 ANNUAL COMPLIANCE REPORTING

In terms of DPE Guidelines on Corporate Governance for CPSEs, all Board Members and Senior Management Personnel shall affirm compliance of this Code within 30 days of close of every financial year. A proforma of Annual Compliance Report is annexed to this Code as Appendix-II. The Annual Compliance Report shall be forwarded to the Company Secretary, in such form and manner as may be prescribed from time to time.

17.0 CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE

In case of breach of this Code, the same shall be considered by the Board of Directors for initiating appropriate action, as deemed necessary.

18.0 ACKNOWLEDGEMENT OF RECEIPT OF THIS CODE

All Board Members and Senior Management Personnel shall acknowledge the receipt of this Code or any modification(s) thereto, in the acknowledgement form annexed to this Code vide Appendix-III and forward the same to the Company Secretary.

KONKAN LNG LIMITED

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EXTRACT OF SECTION 2(77) OF THE COMPANIES ACT, 2013

Section 2(77) – “relative”, with reference to any person, means any one who is related to another, if:

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other in such manner as may be prescribed.

Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014

LIST OF RELATIVES

A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-

- (1) Father:
("Father" includes step-father)
- (2) Mother:
("Mother" includes the step-mother)
- (3) Son:
("Son" includes the step-son)
- (4) Son's wife
- (5) Daughter
- (6) Daughter's husband
- (7) Brother:
("Brother" includes the step-brother)
- (8) Sister:
("Sister" includes the step-sister)

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ANNUAL COMPLIANCE REPORT*

Ido hereby solemnly affirm that I have, in letter and in spirit and to the best of my knowledge and belief, complied with the provisions of the CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31st March

Signature :

Name :

Designation :

Date :

Place :

** To be submitted by 30th April each year.*

KONKAN LNG LIMITED

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ACKNOWLEDGEMENT FORM

I, have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ("this Code").

I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature :

Name :

Designation :

Date :

Place :