



CODE OF CONDUCT OR ETHICS POLICY

INTRODUCTION:

The Company is in the process of maintaining international standards of Corporate Governance keeping in view the requirements in the dynamic market. The Company is trying to exceed and excel through better Corporate Governance and transparent policies, out of all some policies are already in operation before the compulsion imposed by the regulatory commission such as SEBI.

The term Corporate Governance has become an accepted & known phenomenon though it is a buzzword of the decade. Various statutes and regulations have been come-up about the definition & framework of the Corporate Governance after the collapse of various big industrialists in the developed countries. But in spite of that it is not possible or it is difficult to provide a uniform definition about the term Corporate Governance.

APPLICABILITY:

The code of conduct or ethics policy is applicable to the Board of Directors, Key Managerial Personnel (KMP), Chief Operating Officer, and Senior Management Personnel (herein after collectively referred as Managerial Personnel) of the Company.

INTERPRETATION:

‘Board’ shall mean the Board of Directors of the Company, which comprising all executive, non-executive, independent director and nominee director.

‘Chief Executive Officer’ means an officer of a company, who has been designated as such by it.

‘Chief Operating Officer’ shall mean an employee who has been entrusted responsibility of managing any one or more of Units of the Company.

‘Chief Financial Officer’ means a person appointed as the Chief Financial Officer of a company.

“Compliance Officer” means “Company Secretary” of the Company.

“Key Managerial Personnel” in relation to a company, means s—

- Managing Director, or Chief Executive Officer or manager and in their absence, a Whole-Time Director. - Company Secretary; and
- Chief Financial Officer; and
- Such other officer as may be prescribed;

‘The Company’ shall mean The Southern Gas Limited.



‘Executive Director’ shall mean and include Company’s Managing Director, Functional Directors, and such other Directors are in full time employment of the Company.

‘Independent Director’ shall same meaning as provided in Companies Act, 2013 read with SEBI (LODR) Regulations, 2015.

‘Non-Executive Director’ shall mean those members on Board who are not in whole time employment of the Company.

‘Senior Management Personnel’ shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.

CODE OF CONDUCT OR ETHICS POLICY:

The code of conduct or ethics policy of the Company is based on the following fundamental principal for Directors & Senior Management:

- **Performance of duties:** The Managerial Personnel will exercise due care and diligence in the performance of their duties of office and will not undertake any activity which is pre-judicial to the interests of the Company. The duties of the directors are defined in this policy.
- **Honesty is the best policy:** The Managerial Personnel shall act in accordance with the highest standards of honesty & integrity. They will always act in good faith and in the best interests of company and its group as a whole.
- **Confidentiality:** The Managerial Personnel are expected to maintain the highest level of confidentiality of the information which they acquire during the course of the relationship with the Company. They are not expected to use such information for their personal interests.
- **Independent Opinion:** The Managerial Personnel are expected to act as an independent person while making an opinion and make the judgment which will be in the best interests of the Company. Management Principle “Subordination of Individual Interest with the General Interest” should be followed. There should not be the conflict of the personal interests with the organizational interests.
- **Interest of Stakeholders:** Recognize that their primary responsibility is to The Southern Gas’s shareholders as a whole. They will provide all the stakeholders with information that is accurate, complete, objective, relevant, timely and understandable.

DUTIES OF DIRECTOR:

The directors Subject to the provisions of the Companies Act 2013, rules made there under doing the followings act:

- A director of a company shall 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.



- A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- A director of a company shall 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.
- A director of a company shall 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.
- A director of a company shall not assign his office and any assignment so made shall be void.
- Any other duties as prescribed.

DUTIES OF INDEPENDENT DIRECTOR:

The independent directors shall —

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 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;
- strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- strive to attend the general meetings of the company;
- 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;
- keep themselves well informed about the company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 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;
- 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;
- report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 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.
- Any other duties as prescribed.



ANNUAL AFFIRMATION:

The Managerial Personnel shall affirm the compliances with the code on as annual basis to the Compliance Officer.

The declaration/ certificate from Managing Director/ Whole Time Director in respect of compliances of code of conduct or ethics policy shall contain in the Annual Report of the Company.

REPORTING:

This code of conduct or ethics policy shall be posted on the website of the company.

AMENDMENT:

The Managing Director of the Company has the right to amend or modify this code of conduct or ethics policy in whole or in part, at any time without assigning any reason, whatsoever.
