

**CODE OF BUSINESS CONDUCT AND ETHICS
FOR
BOARD MEMBERS AND SENIOR MANAGEMENT
OF**



CIN: U11101AS1962SGC001184

**CODE OF BUSINESS CONDUCT AND ETHICS
FOR
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OF
ASSAM GAS COMPANY LIMITED**

1.0 INTRODUCTION

- 1.1 This Code shall be called **"The Code of Business Conduct & Ethics for Board Members and Senior Management"** of Assam Gas Company Limited.

As per the Government of Assam guidelines the purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company.

This Code for Board and Senior Management has been framed specifically in compliance of the Guidelines of DPE of the Government of Assam, issued in May, 2013 and Companies Act, 2013.

Additionally the Functional / Whole-time Directors and Senior Management personnel will continue to be governed by AGC Executives / Supervisors Conduct, Discipline & Appeal Rules.

It shall come into force with effect from **7th Day of April, 2016.**

2.0 DEFINITIONS AND INTERPRETATIONS

- 2.1 The term "Board Members" shall mean Directors on the Board of Directors of the Company.
- 2.2 The term "Whole-time Directors" or "Functional Directors" 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 "Relative" shall have the same meaning as defined in Sub Section 77 of Section 2 of the Companies Act, 2013 read with Rule 4 of the Companies (Specifications of Definitions Details) Rules, 2014.
- 2.4 For the purpose of the Code, the term "Senior Management" shall mean all officers of the Company in the E05 (Senior Manager), E06 (Chief Manager) and E07 (Dy General Manager) grades. The Chief Financial Officer and Company Secretary being Key Managerial Personnel shall also be considered as Senior Management Personnel, who are members of its core management team excluding Board of Directors.
- 2.5 The term "Part Time Directors" shall mean Directors of Board who are not in whole time employment of the Company and include nominated Part Time (official) Directors and nominated Part Time (non-official) Directors of the Company.
- 2.6 The term "the Company" shall mean Assam Gas Company Limited and in short "AGCL" to be used interchangeably.

- 2.7 Duties of Directors shall mean and include duties and responsibilities laid down in the Companies Act, 2013.

Note: In this Code importing the masculine gender shall include feminine gender and words importing singular shall include the plural and vice-versa.

3.0 APPLICABILITY

- 3.1 This code shall be applicable to the

- (i) Whole Time Directors including the Managing Director
- (ii) Part Time Directors
- (iii) Key Managerial Personnel
- (iv) Senior Management Personnel

4.0 KEY REQUIREMENTS

- 4.1 The Board Members and Senior Management Personnel shall function within the Authority conferred upon them by the Company keeping the best interest of the Company in view and they:

- shall act with utmost care, skill, diligence and integrity;
- shall act in utmost good faith and fulfill the fiduciary obligations without allowing their independence of judgment to be compromised;
- shall not be involved in taking any decision on subject matter in which conflict of personal interest arises or which in their opinion is likely to arise;
- shall avoid any dealing with a contractor, supplier or service provider that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made on behalf of the Company;
- shall not exploit for his own personal gain opportunities that are discovered through use of corporate property, information or position, unless the Opportunity is disclosed fully in writing to the Board of Directors and the Board declines to pursue such opportunity.

5.0 DUTIES OF DIRECTORS

The following duties as elaborated in Section 166 of the Companies Act, 2013 are adopted.

- (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.

- (2) 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, and the community and for the protection of environment.
- (3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) 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.
- (5) 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.
- (6) A director of a company shall not assign his office and any assignment so made shall be void.
- (7) If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

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 on information and where necessary take and follow appropriate professional advice and opinion of outside expertise 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 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 concern as 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 are not prejudicially affected on account of such use;
- (11) Report concerns about unethical behavior, actual or suspected fraud or violations 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 to 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 COMPLIANCES

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

8.0 CONFIDENTIALITY OF INFORMATION

- 8.1 Any information concerning the company's business, its customers, suppliers etc, and which the Board Members and Senior Management Personnel have access to or possess, must be considered confidential and held in confidence. No Board Members or Senior Management Personnel shall provide any information either formally or informally to the press or any other public media, except as required in the performance of the regular corporate duties. However, Board Members and Senior Management Personnel shall be free to disclose such information which 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, regulation or guidelines.

9.0 PROTECTION OF ASSETS

- 9.1 The Board Members and Senior Management Personal shall protect the Company's assets which includes physical assets, financial assets, goodwill, trade and brand marks, reputation, information and intellectual rights and shall not use the same for personal gain

10.0 CONTENT OF CODE

Part I General Moral Imperatives

Part II Specific Professional Responsibilities

Part III Specific Additional Provisions for Board Members and Senior Management

This code is intended to serve as a basis for ethical decision making in the conduct of professional work. It may also serve as a basis for judging the merit of a formal complaint pertaining to violation of professional ethical standards.

It is understood that some words and phrases in the code of ethics and conduct document are subject to varying interpretations. In case of any conflict, the decision of the Board shall be final.

PART I

11.0 GENERAL MORAL IMPERATIVES

11.1 Contribute to society and human well being

This principle concerning the quality of life of all people, affirms an obligation to protect fundamental human rights and to respect the diversity of all cultures. The Board / Senior Management members must attempt to ensure that the products of their efforts will be used in socially responsible ways, will meet social needs and avoid harmful effects to health and welfare of others. In addition to a safe social environment, human well being including a safe natural environment will be ensured.

- 11.1.1 Therefore, all Board Members and Senior Management Team members who are accountable for the design, development, manufacture and promotion of company's products, must be alert to, and make others aware of, both legal and moral responsibility for the safety and the protection of human life and environment.

11.2 Be honest and trustworthy and practice integrity

Integrity and honesty are essential components of trust. Without trust an organization cannot function effectively.

- 11.2.1 All Board Members and Senior Management Team members are expected to act in accordance with highest standards of personal and professional integrity, honesty and ethical conduct, while conducting business of the Public Enterprise.

11.3 Be Fair and take action not to discriminate

The values of equality, tolerance, respect for others and the principles of equity and justice govern this imperative. Discrimination on the basis of race, sex, religion, age, disability, national origin or such other factors is an explicit violation of this code.

- 11.3.1 The Board / Senior Management team members will strive to be fair and non-discriminative in all their actions.

11.4 Honour confidentiality

The principle of honesty extends to confidentiality of information. The ethical concern is to respect all obligations of confidentiality to all stakeholders unless discharged from such obligations by requirements of the law or other principles of this Code.

- 11.4.1 All Board Members and Senior Management Team Members shall maintain the confidentiality of all confidential unpublished information about business and affairs of the Company.

11.5 Pledge and Practice

- 11.5.1 The Board / Senior Management Team members will strive continuously to bring about integrity and transparency in all spheres of activity.
- 11.5.2 The Board / Senior Team members will work unstintingly for eradication of corruption in all spheres of life.
- 11.5.3 The Board / Senior Management Team members will remain vigilant and work towards growth and reputation of the Company.
- 11.5.4 The Board /Senior Management Team members will bring pride to the organization and provide value-based services to Company's stakeholders.
- 11.5.5 The Board / Senior Team members will do duty conscientiously and without fear or favour.

PART II

12.0 SPECIFIC PROFESSIONAL RESPONSIBILITIES

The Vision, Mission, Objectives and Values of the Company are given below. The Board /Senior Management Team members should strive to work towards achieving the Vision, Mission and Objectives and maintain the values envisaged by the Company.

12.1 Vision

Strive to be a vibrant, excellence oriented corporate by attaining leadership in the field of energy by providing quality service to all the stakeholders, creating an environment friendly business and contributing to the overall socio economic development of the region.

12.2 Mission

To fulfill the demand for clean energy of various customers - industrial and non industrial through superior quality products and best-in-class services.

12.3 Strategic Objectives

- To explore and develop various energy sources to fulfill the increasing demand for energy.
- To enhance the growth of financial profits for the company.
- To bring in continuous improvement in all dimensions of company operations by adopting best business practices, technology upgradation, Human Resource Development and innovation.

12.4 Objectives

To excel in its performance, AGCL would strive to:-

- Manage and operate the facilities in an efficient and cost effective manner for generation of adequate internal resources.
- Inculcate best business practices through the use of specified systems and processes.
- Focus on development and growth of Human Resources through proper training and career planning.
- Establish strong corporate identity and brand equity. Facilitate economic and industrial development of the region.

12.5 Values

- Zeal to excel and zest for change
- Integrity and fairness in all matters
- Respect for dignity and potential of individuals
- Strict adherence to commitments
- Ensure speed of response
- Foster learning, creativity and team-work
- Loyalty and pride in the Company

13.1 Strive to achieve the highest quality, effectiveness and dignity in both the processes and products of professional work

Professional integrity and experience are perhaps the most important obligations of a professional. All Directors and Senior Managerial Personnel must strive to achieve the highest quality, effectiveness and dignity in their spheres of responsibility.

13.2 Acquire and maintain professional competence

Excellence depends on individuals who accept responsibility for acquiring and maintaining professional competence. All Directors and Senior Managerial

Personnel are therefore expected to participate in setting standards for appropriate levels of competence and strive to achieve those standards.

13.3 Compliance with Laws

The Board Members and Senior Management Team members of AGCL shall comply with all the applicable provisions of existing local, state, national and international laws. They should also follow and obey the policies, procedures, rules and regulations relating to the business of the company.

13.4 Accept and provide appropriate professional review

Quality professional work depends on professional review and comments. Wherever appropriate, individual members should seek and utilize peer review of their own work as well as provide critical review of the work of others.

13.5 Manage personnel and resources to enhance the equality of working life

Organisational leaders are responsible to ensure that a conducive working and business environment is created for fellow employees to enable them in delivering their best. The Board and Senior Management Team members would be responsible for ensuring human dignity of all employees, encourage and support the professional development of the employees of the Company by providing them all necessary assistance and cooperation, thus enhancing the quality of working.

13.6 Be upright and avoid inducements

The Board and Senior Management Team members shall not directly or indirectly through their family and other connections, solicit any personal fee, commission, gifts, benefits or other form of remuneration arising out of transactions involving the Company which might be extended at times, to influence business for the organization or awarding a contract to an agency, etc.

13.7 Observing Corporate discipline

The flow of communication within the Company is not rigid. There is a free exchange of opinion in the process of arriving at a decision, but once a policy consensus has been established, all are expected to adhere and abide by it, even when in certain instances one may not agree with it individually. In some cases policies act as a guide to action, in others they are designed to put a constraint on action. All must learn to recognise the difference and appreciate why they need to observe them.

13.8 Conduct in a manner that reflects credit to the company

All are expected to conduct themselves, both on and off duty, in a manner that reflects credit to the Company. The sum total of their personal attitude and behaviour has a bearing on the standing of the Company and the way in which it is perceived within the organization and by the public at large.

13.9 Be accountable to the stakeholders

Stakeholders include Customers, without whom the Company will not be in business; the Shareholders, who have an important stake in its business; the Employees, who have a symbiotic relationship with the Company; the Vendors, who support the Company to deliver in time and the Society to which the Company is responsible for its actions. All must keep in mind at all times that they are accountable to Company's stakeholders.

13.10 Prevention of Insider trading

The Board Members and Senior Management shall comply with the code of internal procedures and conduct for prevention of insider trading in dealing with Securities of the Company or holding and subsidiary company.

13.11 Identify, mitigate and manage business risks

It is everybody's responsibility to follow the Risk Management Framework of the Company to identify the business risks that surround function or area of operation of the Company and to assist in the company-wide process of managing such risks, so that company may achieve its wider business objectives.

13.12 Protect the properties of the Company

The Board / Senior Management Team members as trustees of the company's property shall protect the assets including physical assets, financial assets, goodwill, trade and brand marks, information and intellectual rights of the Company and shall not use the same for personal gains.

13.13 Workplace free of harassment

The Board / Senior Management Team members are committed to providing a workplace free of all forms of harassment including harassment based on race, religion, sex, national origin, pregnancy, childbirth or related medical conditions, physical or mental disability, marital status, medical condition or any other basis protected by any applicable law rules or regulations.

PART III

14.0 SPECIFIC ADDITIONAL PROVISIONS FOR BOARD MEMBERS AND SENIOR MANAGEMENT

14.1 All Board and Senior Management Team members shall undertake to actively participate in meetings of the Board and Committees thereof on which they serve.

14.2 As Board Members

14.2.1 Undertake to inform the Chairman of the Board / Company Secretary of the Company of any changes in their positions in other Boards / organisations, relationships with other business and other circumstances, situations that may interfere with their ability to perform in the Board / Committee duties or may

impact the judgments of the Board as to whether they meet the independence requirements as provided in the Guidelines of DPE.

- 14.2.2. Undertake that without prior approval of the disinterested members of the Board, they will avoid apparent conflict of interest. Conflict of interest may occur or exist when they have personal interest that may have a potential conflict with the interest of the company at large. Illustrative cases can be :

- **Related party transactions** - Entering into any transactions or relationship with the company or its subsidiaries in which they have financial or other personal interest (either directly or indirectly through a family member or other person or other organization with which they are associated).
- **Outside Directorship** - Accepting directorship on the Board of any other company that competes with the business of the company.
- **Consultancy / Business / Employment** - Engaging in any activity (be it in the nature of providing consultancy service, carrying on business, accepting employment) which is likely to interfere or conflict with their duties / responsibilities towards Company. They should not invest or associate themselves in any other manner with any supplier, service provider or customer of the Company.

14.3 Use of Official position for personal gain

The Board / Senior Management Team members hereby undertake that they will not use their official position for personal gains.

14.4 Compliance with the Code of Business Conduct and Ethics

14.4.1 All Members of the Board and Senior Management Team of the Company shall uphold and promote the principles of this Code

The future of the Organisation depends on technical, financial, corporate and ethical excellence. Not only it is important for Board and Senior Management team Members to adhere to the principles expressed in this Code, each one of them must also encourage and support adherence by others.

14.4.2 Treat Violations of this Code as inconsistent with the organization-Disciplinary action

Adherence by professionals to a code of ethics is largely and generally a voluntary matter. However if any of Board and Senior Management Team member do not follow this Code, the matter would be reviewed by the Board and its decision shall be final. The Company reserves the right to take appropriate action against the defaulter.

15.0 ENFORCEMENT OF CODE

Each Board Members and Senior Management Personal shall be accountable for full compliance of this Code.

16.0 AMENDMENTS TO THE CODE

This Code is subject to continuous review and updation by the Board in line with any changes in law, changes in company's philosophy, vision, business plans or otherwise as may be necessary and all such amendments/modifications shall take effect prospectively from the date stated therein. All members of the Board/Senior Management Team are bound to adhere to such amended/modified code/ethics as the case may be.

17.0 PLACEMENT OF THE CODE ON WEBSITE

As per the DPE Guidelines this "Code" and any amendments thereto shall be posted on the website of the Company.

18.0 ANNUAL COMPLIANCE REPORTING

All Board Members and Senior Management Personal shall affirm acceptance and compliance of this Code within 30 days of close of every financial year in the proforma enclosed as **Appendix I** to this Code. The Annual Compliance Report shall be forwarded to the Company Secretary.

19.0 CONSEQUENCES OF NON-COMPLIANCE OF THIS CODE

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

In case of breach of this "Code" by the Whole-time Directors and Senior Management Personal the same shall be dealt with in accordance with the "AGC Executive / Supervisors Conduct, Discipline & Appeal Rules".

20.0 WHERE TO SEEK CLARIFICATIONS

Any member of the Board or Senior Management Team requiring any clarification regarding this Code of Conduct may contact the Managing Director/ Company Secretary/ any other officer specifically designated for the purpose by the Board of Directors.

21.0 ACKNOWLEDGEMENT OF THE RECEIPT OF THE CODE

All Board Members and Senior Management Personal shall acknowledge receipt of this Code or any modification(s) thereto, in the acknowledgement form at **Appendix-II** and forward the same to the Company Secretary within the due date mentioned in the forwarding letter.

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Appendix- I

**ASSAM GAS COMPANY LIMITED
P.O. Duliajan, District Dibrugarh, Assam 786 602
CIN: U11101AS1962SGC001184**

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

ANNUAL COMPLIANCE REPORT*

I having read and understood the Code of Business Conduct and Ethics for Board and Senior Management Personnel of AGCL, hereby solemnly affirm that I have complied with the provisions of the Code during the financial year ending 31st March

Signature :.....

Name :.....

Designation:.....

Place :.....

date :.....

***to be submitted within 30th April each year**

Appendix-II

ASSAM GAS COMPANY LIMITED
P.O. Duliajan, District Dibrugarh, Assam 786 602
CIN: U11101AS1962SGC001184

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

ACKNOWLEDGEMENT FORM*

Ihave received and read the 'Code of Business Conduct and Ethics for Board Members and Senior Management Personnel'('this Code') of Assam Gas Company Limited.

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

Signature: _____

Name: _____

Designation: _____

Place: _____

Date: _____

Appendix- III

**ASSAM GAS COMPANY LIMITED
CIN : U11101AS1962SGC001184**

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

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

Section 2(77) - "relative", with any reference to any person, means anyone who is related to another, if:

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

Rule 4 of the Companies (Specification of Definition 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 step-mother)
3. Son ('Son includes step-son')
4. Son's wife
5. Daughter
6. Daughter's husband
7. Brother (' Brother' includes step brother)
8. Sister (' Sister' includes the step-sister)