



**CODE OF CONDUCT AND ETHICS
FOR
BOARD, KEY MANAGERIAL PERSONNEL
AND
SENIOR MANAGEMENT OF THE COMPANY**

[Adopted by the Board of Directors on April 19, 2021]



INDIAN GAS EXCHANGE LIMITED

CODE OF CONDUCT AND ETHICS FOR BOARD MEMBERS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

1. Introduction

As per Regulation 17(5)(a) of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) and Schedule 4 and 5 of the Petroleum and Natural Gas Regulatory Board (“PNGRB”) (Gas Exchange) Regulations, 2020, (GER), Indian Gas Exchange Limited (the “Company”) has adopted the code namely “Code of Conduct & Ethics (“the Code”) for Directors, Key Managerial Personnel (KMP) and Senior Management” by passing a Board resolution on April 19, 2021.

2. Purpose

The purpose of this Code is to enhance integrity, ethics & transparency in governance of the Company and thereby reinforce the trust and confidence reposed in the Management of the Company by the shareholders and other stakeholders.

The Directors, Key Managerial personnel and Senior Management Personnel are expected to familiarize themselves with this Code and to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.

3. Definitions

“**Act**” shall mean the Companies Act, 2013, rules framed there under and any amendments thereto.

“**Board**” shall mean Board of Directors of the Company, as constituted from time to time.

“**Compliance Officer**” shall mean the Company Secretary under Section 203 of the Act, Regulation 6 of the listing regulations and Regulation 30 of the GER.

“**Directors**” shall mean all Directors, including Independent Directors of the Company.



“**Independent Director**” shall mean a Director as defined under sub-section (6) of Section 149 of the Act.

“**Key Managerial Personnel**” shall have the same meaning as defined under sub-section (51) of Section 2 of the Act.

“**Petroleum and Natural Gas Regulatory Board**” or “**PNGRB**” shall mean the Petroleum and Natural Gas Regulatory Board as defined under the Petroleum and Natural Gas Regulatory Board Act, 2006.

“**Senior Management**” shall mean officers/personnel of the Company who are members of its core management team excluding Board of Directors and normally this shall comprise 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, Chief Financial Officer.

“**Subsidiary**” shall mean a subsidiary as defined under sub-section (87) of Section 2 of the Act.

All other words and expressions used but not defined in this Code but defined in the SEBI Act, 1992, the Act, the Securities Contracts (Regulation) Act, 1956, PNGRB Act, 2006, PNGRB (Gas Exchange) Regulations, 2020, and/ or the rules and regulations made there under shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

This Code is applicable to all the members of the Board of Directors, Key Managerial Personnel and Senior Management of the Company and its Subsidiaries.

4. Guidelines

The Directors, KMP's and Senior Management must act in good faith and in such manner as they reasonably believe to be in the best interests of the Company. The Directors and Senior Management Personnel are also expected to:

- a. comply with all applicable laws, regulations, confidentiality obligations and other corporate policies, of the Company.
- b. follow all policies, procedures and internal control systems of the Company.
- c. act honestly, in good faith and in the best interests of the Company.



5. Honesty and Integrity and Ethical Conduct

All Directors, KMP's and Senior Management of the Company shall conduct their activities on behalf of the Company and on their own behalf, with highest standards of honesty, integrity, fairness and ethical conduct. The Directors, KMP's and Senior Management of the Company shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgement to be subordinated. The Directors, KMP's and Senior Management of the Company shall act in the best interest of and fulfil their fiduciary obligations to the Company and its shareholders.

6. Conflict of Interest

The Directors, KMP's and Senior Management Personnel of the Company shall not enter into any transaction or engage in any practice, directly or indirectly, that would tend to influence him/her to act in any manner other than in the best interests of the Company. Every Director, KMP's and Senior Management Personnel shall make a full disclosure to the Board of any transaction that they reasonably expect, could give rise to actual conflict of interest with the Company and seek Board authorization to pursue such transaction.

7. Company Property

Every Director, KMP's and Senior Management Personnel shall endeavor to ensure that they use the Company's assets, proprietary information and resources only for legitimate business purpose of the Company and not for personal gains.

8. Confidential Information

The Directors, KMP's and Senior Management Personnel shall maintain confidentiality of information entrusted to them in carrying out their duties and responsibilities. The matters discussed at the Board/ Committee Meetings must not be disclosed outside appropriate and reasonable circles. The Company's confidential information and proprietary information shall not be inappropriately disclosed or used for personal gain or advantage of any Director. These obligations apply not only during a Directors term, but thereafter as well unless the said information becomes public.

9. Gifts, Donations & Entertainment

The Directors, KMP's and Senior Management Personnel shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favours for the conduct of its business. However, the Directors, KMP's and Senior Management Personnel may accept and offer nominal



gifts, which are customarily given and are of a commemorative nature, for special events.

Gift, donations, hospitality and/ or entertainment carried out for Company exceeding the value of Rs. 5,000/- should be accepted and/ or offered by the Directors only with the approval of the Audit Committee and in case of Senior Management Personnel, the same should be accepted and/ or offered only with the approval of the Managing Director & CEO of the Company if its value exceeds Rs. 5000/-.

10. Fair Dealing

The Directors, KMP's and Senior Management Personnel shall endeavour to deal fairly and not seek to take unfair advantage of the Company through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or other unfair dealing.

11. Health, Safety and Environment

The Company believes in sustainable development and is committed to being a responsible corporate citizen. To uphold the Company's interest and preserve the quality of life of all concerned, the business and operations of the Company shall be conducted in an environmentally friendly manner and provide a safe and healthy working environment to its employees.

Directors, KMP's and Senior Management shall ensure compliance with all applicable environmental, safety and health laws and regulations and internal policies.

12. Equal Opportunities

The Directors, KMP's and Senior Management Personnel shall endeavour to provide equal opportunities to all employees and aspirants for employment in the Company irrespective of gender, caste, religion, race or colour, merit being the sole differentiating factor. The Directors, KMP's and Senior Management Personnel shall prevent and redress sexual harassment at work-place and institute good employment practices.

13. Non-Compete

The Directors, KMP's and Senior Management Personnel shall not take up directly or indirectly any activities competing with the business of the Company.



14. Cordial Relations

The Directors, KMP's and Senior Management Personnel shall endeavour to make all efforts to establish cordial relationships with all stakeholders of the Company with whom they interface while carrying out their duties for the Company and would try to make positive contributions to the communities in which they perform such duties.

15. Compliance with Laws and Regulations

In carrying out their duties and responsibilities, Directors, KMP's and Senior Management Personnel shall comply and endeavour to ensure that the management is causing the Company to comply with applicable laws, rules and regulations. The Directors, KMPs and Senior Management Personnel shall comply with all applicable laws, rules and regulations for the time being in force. In addition, if any Director becomes aware of any information that he believes constitutes evidence of a material violation of any laws, rules or regulations applicable to the Company or operation of its business, by the Company, any employee or another Director, then such Director should bring such information to the attention of the Chairman of the Audit Committee.

Apart from the Code, the Directors, and KMP's in particular, shall abide by the Code of Conduct for Directors and Code of Ethics for Directors and KMP's as prescribed under the PNGRB (Gas Exchange) Regulations, 2020, as amended, from time to time (**Annexure-A & B**).

Further, Independent Directors in particular, shall abide by the Code for Independent Directors as prescribed under the Act, as amended, from time to time (**Annexure-C**).

16. Insider Trading

None of the Directors, KMP's or the Senior Management Personnel shall derive any benefit nor assist to derive any benefit by giving investment advice from access to and possession of information about the Company, which is not in public domain or constitutes insider information. The Directors, KMPs and the Senior Management Personnel shall comply with the IEX's Code of Conduct for Prevention of Insider Trading, as same being applicable on IGX being material subsidiary of IEX.



17. Duties of Directors

Every Director of the Company shall endeavour to comply with the provisions of Section 166 of the Companies Act, relating to the duties of directors. In addition, Independent Directors shall also perform the duties as prescribed in Schedule IV of the Companies Act, 2013, as amended from time to time.

18. Non-Compliance

Suspected violations of this Code may be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations shall be appropriately investigated. Any waiver of this Code must be approved by the Board of Directors and publicly disclosed if required by any applicable law.

19. Disclosure

All Directors, KMP's and Senior Management Personnel shall acknowledge receipt of this Code or any modification thereto, in the acknowledgement form as at **Annexure-I** and forward the same to the Company Secretary indicating that they have received, read, understood and agreed to comply with the Code. Further, the Board Member, KMP's and the Senior Management Personnel shall also affirm the compliance with the Code on annual basis in the form as at **Annexure-II**.

20. Amendment

The Board shall have power to amend any of the provisions of the Code, substitute any of the provisions with a new provision or replace the Code entirely with a new Code according to subsequent modification(s)/amendment(s) to the applicable laws.



Annexure-A

SCHEDULE 4

Code of Conduct for the directors on the Board of Directors of Gas Exchanges or Clearing Corporations

1. Meetings and minutes:

Every director of the Gas Exchange and Clearing Corporation shall -

- (a) not participate in discussions on any subject matter in which any conflict of interest exists or arises, whether pecuniary or otherwise, and in such cases the same shall be disclosed and recorded in the minutes of the meeting;
- (b) not encourage the circulation of agenda papers during the meeting, unless circumstances so require;
- (c) offer their comments on the draft minutes in time;
- (d) endeavour to have the date of next meeting fixed at each board meeting in consultation with other members of the board; and
- (e) endeavour to ensure that in case all the items of the agenda of a meeting were not covered for want of time, the next meeting is held within fifteen days for considering the remaining items.

2. Code of Conduct for the independent directors:

- (a) In addition to the conditions stated in paragraph 1 above, independent directors of the Gas Exchange or Clearing Corporation shall, endeavour to attend all the board meetings and they shall be liable to vacate office if they remain absent for three consecutive meetings of the board of directors or do not attend seventy-five percent of the total meetings of the board of directors in a calendar year.
- (b) Independent directors shall meet separately, at least once in six months to exchange views on critical issues.
- (c) The independent directors shall identify important issues which may involve conflict of interest for the Gas Exchange or Clearing Corporation, or may have significant impact on the functioning of Gas Exchange or Clearing Corporation, or may not be in the interest of its orderly functioning. These issues shall be reported to the board of directors.



3. Strategic planning:

Every director of the Gas Exchange and Clearing Corporation shall -

- (a) participate in the formulation and execution of strategies in the best interest of the Gas Exchange or Clearing Corporation and contribute towards proactive decision making at the level of the board of directors; and
- (b) give benefit of their experience and expertise to the Gas Exchange or Clearing Corporation and provide assistance in strategic planning and execution of decisions.

4. Regulatory compliances:

Every director of the Gas Exchange and Clearing Corporation shall-

- (a) ensure that the Gas Exchange or Clearing Corporation abides by all the applicable provisions of the Act, rules and Regulations, made thereunder and the orders and directions of the Board;
- (b) ensure compliance at all levels so that the regulatory system does not suffer any breaches;
- (c) ensure that the Gas Exchange or Clearing Corporation takes steps commensurate to honour the time limit stipulated by Board for corrective action; and
- (d) not support any decision in the meeting of the company board of directors which might adversely affect the interest of buyers and sellers participating in the Gas Exchange and shall report any such decision to the Board.

5. General responsibility:

Every director of Gas Exchange and Clearing Corporation shall -

- (a) place priority for redressing grievances and complaints of members' and their clients and encouraging fair trade practice so that the Gas Exchange or Clearing Corporation becomes an engine for the growth of the transactions undertaken in the Gas Exchange;
- (b) endeavour to analyse and administer the Gas Exchange or Clearing Corporation issues with professional competence, fairness, impartiality, efficiency and effectiveness;



- (c) unless otherwise required by law, maintain confidentiality and shall not divulge or disclose any information obtained in the discharge of their duty and no such information shall be used for personal gains;
- (d) maintain the highest standards of personal integrity, truthfulness, honesty and fortitude in discharge of their duties in order to inspire public confidence and shall not engage in acts discreditable to their responsibilities;
- (e) perform his duties in an independent and objective manner and avoid activities that may impair, or may appear to impair, his independence or objectivity or official duties;
- (f) perform his duties with a positive attitude and constructively support open communication, creativity, dedication, and compassion; and
- (g) not engage in any act involving moral turpitude, dishonesty, fraud, deceit, or misrepresentation or any other act prejudicial to the administration of Gas Exchange or Clearing Corporation.



Annexure-B

SCHEDULE 5

Code of Ethics for Directors and Key Management Personnel of Gas Exchanges or Clearing Corporations

General:

The Code of Ethics for directors and key management personnel of the Gas Exchanges or Clearing Corporations is aimed at improving the professional and ethical standards in the functioning of Gas Exchanges or Clearing Corporations, thereby creating better confidence in the market participants in the integrity of the gas market.

1. Objectives and underlying principles:

The Code of Ethics for directors and key management personnel of the Gas Exchange or Clearing Corporation seeks to establish a minimum level of business/professional ethics to be followed by the directors and key management personnel, towards establishing a fair and transparent marketplace. The Code of Ethics is based on the following fundamental principles, namely: -

- (a) Fairness and transparency in dealing with matters relating to the Gas Exchange or Clearing Corporation and the buyers and sellers on the Gas Exchange;
- (b) Compliance with all laws, rules, Regulations, orders, directions, guidelines laid down by regulatory agencies, Gas Exchange, Clearing Corporation;
- (c) Exercising due diligence in the performance of duties; and
- (d) Avoidance of conflict of interest between self-interest of directors or key management personnel and interests of Gas Exchange or Clearing Corporation.

2. Regulatory oversight committee:

For overseeing implementation of this Code, a regulatory oversight committee shall be constituted by every Gas Exchange and Clearing Corporation under the respective board of directors.

3. General standards:

Directors and key management personnel shall endeavor to promote greater awareness and understanding of ethical responsibilities in the following manner, namely: -



- (a) Directors and key management personnel, in the conduct of their business shall observe high standards of commercial honour and equitable principles of trade;
- (b) The conduct of directors and key management personnel in business life should be exemplary which will set a standard for other employees and members of the Gas Exchange or Clearing Corporation;
- (c) Directors and key management personnel shall not use their position to give or get favours to or from the executive or administrative staff, technology or service providers and vendors or members and their clients or any other person dealing with the Gas Exchange or Clearing Corporation;
- (d) Directors and key management personnel shall not commit any act which will put the reputation of the Gas Exchange or Clearing Corporation in jeopardy; and
- (e) Directors, committee members and key management personnel of the Gas Exchange or Clearing Corporation should comply with the provisions of the Act and all applicable Regulations notified by the Board from time to time.

4. Avoidance of conflict of interest:

No director on the board or member of any committee of the Gas Exchange or Clearing Corporation shall participate in any decision making or adjudication in respect of any person or matter in which he is in any way, directly or indirectly, concerned or interested. In case of any doubt on whether there is any conflict of interest or not in a matter, decision shall be taken by the board of directors.

5. Disclosures of beneficial interest:

All directors and key management personnel shall disclose to the board of directors, upon assuming office and during their tenure in office, whenever the following arises, namely: -

- (a) any fiduciary relationship of self or family members or directorship or partnership of self or family members in any trading member or clearing member; and
- (b) any other business interests.

6. Role of the chairperson and directors in the day-to-day functioning of the Gas Exchange or Clearing Corporation:



- (a) The chairperson and directors shall not interfere in the day-to-day functioning of the Gas Exchange or Clearing Corporation and shall limit their role to decision making on policy issues and to issues as the board of directors may decide.
- (b) The chairperson and directors shall abstain from influencing the employees of the Gas Exchange or Clearing Corporation in conducting their day-to-day activities.
- (c) The chairperson and directors shall not be directly involved in the function of appointment and promotion of employees unless specifically so decided by the board of directors.

7. Access to information:

- (a) Directors shall call for information only as part of specific committees or as may be authorised by the board of directors.
- (b) There shall be specified channels through which information shall move and further there shall be audit trail of the same. Any retrieval of confidential documents and information shall be properly recorded and retained for a minimum period of seven years.
- (c) All such information, especially which is non-public and price sensitive, shall be kept confidential and shall not be used for any personal consideration or gain.
- (d) Any information relating to the business or operations of the Gas Exchange or Clearing Corporation, which may come to the knowledge of directors or key management personnel during performance of their duties shall be held in strict confidence and shall not be divulged by them to any third party and not used in any manner except for the performance of their duties.

8. Misuse of position:

Directors and committee members shall not use their position to obtain business or any pecuniary benefit in the organisation for themselves or their family members.

9. Regulatory Oversight Committee to lay down procedures:

- (a) The regulatory oversight committee shall lay down procedures for the implementation of these Regulations and specify reporting formats for the disclosures required under these Regulations.
- (b) The compliance officer shall execute the requirements laid down by the regulatory oversight committee.



- (c) While the objective of these Regulations is to enhance the level of market integrity and confidence of the market participants, it is emphasised that a written code of ethics may not completely guarantee adherence to high ethical standards and this can be accomplished only if directors and key management personnel of the Gas Exchange or Clearing Corporation commit themselves to the task of enhancing the fairness and integrity of the system in letter and spirit.



Annexure-C

THE CODE FOR INDEPENDENT DIRECTORS (As per Schedule IV of Companies Act, 2013)

I. Guidelines of professional conduct:

The Independent Directors shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a bona fide manner in the interest of the company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- 6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 7) refrain from any action that would lead to loss of his independence;
- 8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- 9) assist the company in implementing the best corporate governance practices.

II. Role and functions:

The Independent Directors shall:

- 1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- 2) bring an objective view in the evaluation of the performance of board and management;
- 3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- 4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;



- 5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- 6) balance the conflicting interest of the stakeholders;
- 7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- 8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties:

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 behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;



- 12) act within their 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.



Annexure - I

DECLARATION

To,

The Company Secretary
Indian Gas Exchange Limited
Plot No. C-001/A/1, 9th Floor,
Max Towers, Sector 16 B,
Noida, Gautam Buddha Nagar,
Uttar Pradesh - 201301

Dear Sir/ Madam

I, Mr./Mrs./Ms. _____, _____(designation) have received and read the Company's Code of Conduct for Directors, KMP's 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:

Place:

Date:



Annexure - II

DECLARATION

To,

The Company Secretary
Indian Gas Exchange Limited
Plot No. C-001/A/1, 9th Floor,
Max Towers, Sector 16 B,
Noida, Gautam Buddha Nagar,
Uttar Pradesh - 201301

Dear Sir/ madam

I, Mr./Mrs./Ms. _____, _____(designation) do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct for Directors, KMP's and Senior Management Personnel during the financial year ending 31st March_____.

Signature:

Name:

Designation:

Place:

Date:

1. Kindly sign and return this declaration on or before April 15, _____.
2. This declaration shall be valid for the financial year _____.

*****End*****