

**CODE OF BUSINESS CONDUCT AND ETHICS**  
**FOR BOARD AND SENIOR MANAGEMENT PERSONNEL**  
**OF NUMALIGARH REFINERY LIMITED**

**1.0 INTRODUCTION**

- 1.1 This Code shall be called “The Code of Business Conduct & Ethics for Board Members and Senior Management Team members” of Numaligarh Refinery Limited (hereinafter referred to as “NRL” or “the Company” interchangeably)
- 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 and Senior Management Team members has been framed specifically in compliance of the Guidelines of DPE and Companies Act,2013. However, the Functional Directors and Senior Management Personnel will continue to be governed by the Conduct, Discipline and Appeal Rules for Management Staff of NRL.
- 1.4 It shall come into force with effect from the 1<sup>st</sup> day of February, 2015.

**2.0 DEFINITIONS AND INTERPRETATIONS:**

- 2.1 The term “Board Members” shall mean the Members of the Board of Directors of the Company
- 2.2 The term “Whole-time Directors” or “Functional Directors” shall mean Board Members including Managing Director who are in whole-time employment of the company.
- 2.3 The term “Part-time Directors” shall mean Board members who are not in whole time employment of the Company and include Part-time (Official) Directors and Part-time (Non-Official) Directors of the Company.
- 2.4 The term “Relative” shall mean a ‘relative’ as defined under Section 2(77) of the Companies Act,2013 read with Rule 4 of the Companies (Specification of Definitions Details) Rules,2014( **Refer Appendix –III**).
- 2.5 The term “Senior Management Team” shall mean Official of the Company who are members of its core management team excluding Board of Directors and would comprise of all members of management of Job Group “G” i.e. Deputy General Managers and above including all functional heads.
- 2.6 The term “the Company” shall mean Numaligarh Refinery Limited and in short “NRL” to be used interchangeably.
- 2.7. ‘Duties of Directors/ Independent Directors’ shall mean and include duties as laid down in the Companies Act,2013.

**Note:** 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:**

This 'Code' shall be applicable to the following persons:

- a) Whole-time Directors
- b) Part-time Directors
- c) Senior Management Personal

### **4.0 KEY REQUIREMENTS**

The Board Members and Senior Management Personal 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 Director and the Board declines to pursue such opportunity.

### **5.0 DUTIES OF 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 interest 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 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 and any assignment so made shall be void.

## **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 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) 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 COMPLIANCES**

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

## **8.0 CONFIDENTIALITY OF INFORMATION**

Any information concerning the Company's business, its customers, suppliers, etc, and to which the Board Members and Senior Management Personal have access or possesses such information, must be considered confidential and held in confidence. No Board Members or Senior Management Personal 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 Personal 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**

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

## **10.0 ENFORCEMENT OF 'CODE'**

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

## **11.0 AMENDMENTS TO THE CODE**

The provisions of this Code can be amended/ modified by the Board of Directors of the Company from time to time and all such amendments/ modifications shall take effect from such date as the Board may decide. The Board may delegate the authority to make amendment to the Code to the Managing Director or any other Director as Board may deem fit.

## **12.0 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.

## **13.0 ANNUAL COMPLIANCE REPORTING**

All Board Members and Senior Management Personal shall affirm 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.

#### **14.0 CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE**

14.1 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.

14.2 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 CDA Rules of the Company.

#### **15.0 ACKNOWLEDGEMENT OF 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 annexed to the Code vide **Appendix-II** and forward the same to the Company Secretary.

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**Appendix-I**

**NUMALIGARH REFINERY LIMITED**

**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 NRL, hereby solemnly affirm that I have complied with the provisions of the Code during the financial year ending 31<sup>st</sup> March .....

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Designation: \_\_\_\_\_

Place : \_\_\_\_\_

Date : \_\_\_\_\_

\*To be submitted within 30th April each year.

**NUMALIGARH REFINERY LIMITED**

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

**ACKNOWLEDGEMENT FORM**

I .....have received and read the ‘Code of Business Conduct and Ethics for Board Members and Senior Management Personnel’(‘this Code’) of Numaligarh Refinery Limited.

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

Signature :.....  
Name :.....  
Designation:.....  
Date :.....  
Place :.....



## **NUMALIGARH REFINERY LIMITED**

### **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 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 the step-father)
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)