



## CODE OF BUSINESS CONDUCT & ETHICS FOR BOARD MEMBERS

### 1. INTRODUCTION

- 1.1. This Code shall be called “The Code of Business Conduct & Ethics for the Board Members” (“*this Code*”) of The Shipping Corporation of India Limited (hereinafter referred to as “*the Company*”).
- 1.2. This Code is in alignment with Company’s Vision and Values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company.
- 1.3. This Code for Board Members has been framed specially in compliance of the provisions of Regulation 17(5) of SEBI( Listing Obligations and Disclosure Requirements) Regulations 2015 and as per the Guidelines of DPE.
- 1.4. It shall come into force with effect from the 11.08.2010.

### 2. DEFINITIONS AND INTERPRETATION

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

“*Board*” or “*Board of Directors*” or “*Board Members*” shall mean the directors on the Board of the Company.

“*Whole-time Directors*” or “*Functional Directors*” shall be the Directors on the Board of the Company who are in whole-time employment of the Company.

“*Part-time Directors*” shall mean Directors on the Board of Directors of the company who are not in whole-time employment of the Company.

“*Relative*” shall mean ‘relative’ as defined in Section 2(77) of the Companies Act, 2013 and rules made thereunder.

*“Conflict of Interest”* means where the interests or benefits of one person or entity conflict with the interests or benefits of the company.

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

### **3. APPLICABILITY**

This Code shall be applicable to the following personnel:

- a) All Whole-time Directors including the Chairman & Managing Director of the Company.
- b) All Part-time Directors including Independent Directors under the provisions of law.

### **4. KEY REQUIREMENTS**

The Board Members shall,

- 4.1. Live the Vision, Mission and Values of the Company;
- 4.2. in all matters related to the Company, act within the authority conferred upon them, keeping in view the best interests of the Company;
- 4.3. act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct;
- 4.4. act in the best interest of, and fulfil their fiduciary obligations to the Company and its shareholders;
- 4.5. conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
- 4.6. undertake to actively participate in the meetings of the Board and Committees on which they serve;
- 4.7. use their prudent judgement to avoid all situations, decisions or relationships which give or could give rise to conflict of interest or appear to conflict with their responsibilities within the Company;
- 4.8. not exploit for their 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 of the Company and the Board declines to pursue such opportunity and allow him to avail such opportunity;

- 4.9. avoid conducting business on behalf of the Company except with the prior approval of the Board; 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;
- 4.10. disclose and avoid having any personal and/or financial interest in any business dealings concerning the Company;
- 4.11. avoid any dealing with a Contractor or Supplier that compromises the ability to transact business on a professional, impartial and competitive basis or that may influence discretionary decision to be made by the Board Members/ Company;
- 4.12. not hold any position or job or engage in outside business or other interest that is prejudicial to the interests of the Company;
- 4.13. inform the Board, at the earliest opportunity, any existing or potential conflict of interest situation;
- 4.14. act in a socially responsible manner, within the applicable laws, rules and regulations, customs and traditions of the countries in which the Company operates;
- 4.15. not to use any information or opportunity received by them in their capacity as members of Board, in a manner that would be detrimental to the Company's interests;
- 4.16. act in a manner to enhance and maintain the reputation of the Company;
- 4.17. not make any statement which has the effect of adverse criticism of any policy or action of the Company or which is capable of embarrassing the relations between the Company and the public including all the stakeholders;
- 4.18. not commit any offence involving moral turpitude;
- 4.19. not to enter into any agreement for himself or for on behalf of any other person with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution\* [Regulation 26 of the SEBI (LODR) Regulations, 2015]

*\* All such agreements, whether subsisting or expired, entered during 05.01.2014 to 04.01.2017 shall be disclosed to the Company.*

## **5. COMPLIANCE OF LAWS**

Every Director shall, in his or her business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he or she operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

## **6. GIFTS & DONATIONS**

The Board Members 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 to obtain undue favours in the transactions detrimental to the interests of the Company, except for nominal value, which are customarily given and are of commemorative nature for special events and should never be of a kind that could create an appearance of impropriety.

## **7. CONFIDENTIALITY OF INFORMATION**

Any information concerning the Company's business, its customers, suppliers, etc. to which the Directors have access or which is possessed by the Directors, must be considered privileged and confidential and should be held in confidence at all times, and should not be disclosed to any person, unless (i) specifically authorised; or (ii) the same is part of the public domain at the time of disclosure; or (iii) is required to be disclosed in accordance with applicable laws.

## **8. OTHER DIRECTORSHIPS**

The Directors should disclose their engagements, either as Director or in any other capacity to the Company in accordance with the provisions of the Companies Act.

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.

The Whole time directors shall not accept any appointment or post, whether advisory or administrative, in any company or firm, whether Indian or Foreign, having competitive nature of business within one year from the date of cessation of Directorship/service of the Company unless approved by the Government.

#### **9. PREVENTION OF INSIDER TRADING**

The Board Members shall comply with the existing Code of Insider Trading (and the changes made therein from time to time) and the Conduct for prevention of Insider Trading in dealing with securities of the Company.

#### **10. PROTECTION OF ASSETS**

The Directors shall protect the Company's assets including physical assets, information and intellectual rights and shall not use the same for personal gain.

#### **11. PUBLIC REPRESENTATION**

The Company honours the information requirements of the public and its stakeholders. In all its public appearance with respect to disclosing information in relation to the Company's activities to public constituencies such as the media, the financial community, employees and shareholders, the Company or the Group shall be represented only by specifically authorised directors and employees. It will be the sole responsibility of these authorised representatives to disclose Company related information.

The Directors shall conduct themselves, both on and off duty, in a manner that reflects credit to the Company.

#### **12. HEALTH, SAFETY AND ENVIRONMENT**

The Directors shall be committed to prevent the wasteful use of Natural Resources and minimize any hazardous impact of the development,

production, use and disposal of any of its products and services on the ecological environment.

### **13. PLEDGE & PRACTICE**

The Directors shall

- a) Strive continuously to bring about integrity and transparency in all the spheres of the activities.
- b) Work unstintingly for eradication of corruption in all spheres of life.
- c) Remain vigilant and work towards growth and reputation of the Company.
- d) Bring pride to the organisation and provide value-based services to Company's stakeholders.
- e) Perform duty conscientiously and without fear or favour.

### **14. RISK MANAGEMENT**

The Board shall be responsible 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 risks, so that Company may achieve its wider business objectives.

### **15. 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 the date stated therein. All Directors shall be duly informed of such amendments and modifications.

### **16. PLACEMENT OF THE CODE ON WEBSITE**

Pursuant to Regulation 46(2)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the DPE guidelines, this Code and any amendment thereto shall be hosted on the website of the Company.

### **17. CLARIFICATIONS, IF ANY:**

Any member of the Board requiring any clarification regarding this code of conduct may contact Company Secretary.

## **18. ANNUAL COMPLIANCE REPORTING**

In terms of Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, all Board Members shall affirm compliance of this Code in the draft format placed at **Appendix -II** within 30 days of close of every financial year. The Annual Report of the company shall contain a declaration to this effect signed by the Chairman & Managing Director. The Annual Compliance Report shall be forwarded to the Company Secretary. If any Director leaves the Company any time during a financial year, he shall send a communication to Company Secretary affirming compliance of the Code till the date of his association with SCI.

## **19. ENFORCEMENT OF CODE OF CONDUCT**

All Directors shall be accountable for fully complying with this Code.

## **20. CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE**

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

## **21. ACKNOWLEDGEMENT OF RECEIPT OF THE CODE**

All the members of the Board shall acknowledge receipt of this Code or any modification(s) thereto, in the acknowledgement form at **Appendix-I** and forward the same to the Company Secretary indicating that they have received, read, understood and agreed to comply with this code.

**APPENDIX – I**

**THE SHIPPING CORPORATION OF INDIA LIMITED  
CODE OF BUSINESS CONDUCT & ETHICS FOR BOARD MEMBERS**

**ACKNOWLEDGEMENT FORM**

I \_\_\_\_\_, have received and read the Company's "**CODE OF BUSINESS CONDUCT & ETHICS FOR BOARD MEMBERS**" ("**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 :



**APPENDIX – II**

**THE SHIPPING CORPORATION OF INDIA LIMITED**  
**CODE OF BUSINESS CONDUCT & ETHICS FOR BOARD MEMBERS**  
**ANNUAL COMPLIANCE REPORT\***

I \_\_\_\_\_ do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the **CODE OF CONDUCT & ETHICS FOR BOARD MEMBERS** during the financial year ending 31<sup>st</sup> March, \_\_\_\_\_.

Signature :

Name :

Designation : Director

Date :

Place :



## CODE OF BUSINESS CONDUCT & ETHICS FOR SENIOR MANAGEMENT PERSONNEL

### 1. INTRODUCTION

- 1.1. This Code shall be called “The Code of Business Conduct & Ethics for the Senior Management Personnel” (*“this Code”*) of The Shipping Corporation of India Limited (hereinafter referred to as *“the Company”*).
- 1.2. This Code is in alignment with Company’s Vision and Values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company.
- 1.3. This Code for Senior Management Personnel has been framed specially in compliance of the provisions of Regulation 26 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015 and as per the Guidelines of DPE.
- 1.4. It shall come into force with effect from the 11.08.2010.

### 2. DEFINITIONS AND INTERPRETATION

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

*“Board”* or *“Board of Directors”* or *“Board Members”* shall mean the directors on the Board of the Company.

*“Relative”* shall mean ‘relative’ as defined in Section 2(77) of the Companies Act, 2013 and rules made thereunder.

*“Senior Management”* shall mean personnel of the Company who are members of its core management team excluding Board of Directors and shall comprise all members of management one level below the Whole Time Directors, including all functional directors.

*“Conflict of Interest”* means where the interests or benefits of one person or entity conflict with the interests or benefits of the company.

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

### **3. APPLICABILITY**

This Code shall be applicable to the following personnel:

- a) Senior Management

### **4. KEY REQUIREMENTS**

The Senior Management shall,

- 4.1. Live the Vision, Mission and Values of the Company;
- 4.2. in all matters related to the Company, act within the authority conferred upon them, keeping in view the best interests of the Company;
- 4.3. act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct;
- 4.4. act in the best interest of, and fulfil their fiduciary obligations to the Company and its shareholders;
- 4.5. conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
- 4.6. undertake to actively participate in the meetings of the Committees on which they serve;
- 4.7. use their prudent judgement to avoid all situations, decisions or relationships which give or could give rise to conflict of interest or appear to conflict with their responsibilities within the Company;
- 4.8. not exploit for their 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 of the Company and the Board declines to pursue such opportunity and allow him to avail such opportunity;
- 4.9. avoid conducting business on behalf of the Company except with the prior approval of the Board; 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;
- 4.10. disclose and avoid having any personal and/or financial interest in any business dealings concerning the Company;
  - 4.11. avoid any dealing with a Contractor or Supplier that compromises the ability to transact business on a professional, impartial and competitive basis or that may influence discretionary decision to be made by the Board Members/ Company;
  - 4.12. not hold any position or job or engage in outside business or other interest that is prejudicial to the interests of the Company;
  - 4.13. inform the Board, at the earliest opportunity, any existing or potential conflict of interest situation;
  - 4.14. act in a socially responsible manner, within the applicable laws, rules and regulations, customs and traditions of the countries in which the Company operates;
  - 4.15. Not to use any information or opportunity received by them in their capacity as members of senior management, in a manner that would be detrimental to the Company's interests;
  - 4.16. Act in a manner to enhance and maintain the reputation of the Company;
  - 4.17. not make any statement which has the effect of adverse criticism of any policy or action of the Company or which is capable of embarrassing the relations between the Company and the public including all the stakeholders;
  - 4.18. not commit any offence involving moral turpitude;
  - 4.19. not to enter into any agreement for himself or for on behalf of any other person with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution\* [Regulation 26 of the SEBI (LODR) Regulations, 2015]

*\* All such agreements, whether subsisting or expired, entered during 05.01.2014 to 04.01.2017 shall be disclosed to the Company.*

## **5. COMPLIANCE OF LAWS**

Every member of the Senior Management shall, in his or her business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he or she operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

## **6. GIFTS & DONATIONS**

The members of the Senior Management 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 to obtain undue favours in the transactions detrimental to the interests of the Company, except for nominal value, which are customarily given and are of commemorative nature for special events and should never be of a kind that could create an appearance of impropriety.

## **7. CONFIDENTIALITY OF INFORMATION**

Any information concerning the Company's business, its customers, suppliers, etc. to which the Senior Management have access or which is possessed by the Senior Management, must be considered privileged and confidential and should be held in confidence at all times, and should not be disclosed to any person, unless (i) specifically authorised; or (ii) the same is part of the public domain at the time of disclosure; or (iii) is required to be disclosed in accordance with applicable laws.

## **8. OTHER DIRECTORSHIPS**

Unless specifically permitted by the Board, the Senior Management Personnel 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 and Managing Director / Competent Authority for accepting Directorship of any other company or partnership of a firm.

#### **9. PREVENTION OF INSIDER TRADING**

The Senior Management Personnel shall comply with the existing Code of Insider Trading (and the changes made therein from time to time) and the Conduct for prevention of Insider Trading in dealing with securities of the Company.

#### **10. PROTECTION OF ASSETS**

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

#### **11. PUBLIC REPRESENTATION**

The Company honours the information requirements of the public and its stakeholders. In all its public appearance with respect to disclosing information in relation to the Company's activities to public constituencies such as the media, the financial community, employees and shareholders, the Company or the Group shall be represented only by specifically authorised directors and employees. It will be the sole responsibility of these authorised representatives to disclose Company related information.

The Senior Management Personnel shall conduct themselves, both on and off duty, in a manner that reflects credit to the Company.

#### **12. HEALTH, SAFETY AND ENVIRONMENT**

The Senior Management shall be committed to prevent the wasteful use of Natural Resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

### **13. PLEDGE & PRACTICE**

The Senior Management shall

- a) Strive continuously to bring about integrity and transparency in all the spheres of the activities.
- b) Work unstintingly for eradication of corruption in all spheres of life.
- c) Remain vigilant and work towards growth and reputation of the Company.
- d) Bring pride to the organisation and provide value-based services to Company's stakeholders.
- e) Perform duty conscientiously and without fear or favour.

### **14. RISK MANAGEMENT**

The Senior Management Personnel shall be responsible 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 risks, so that Company may achieve its wider business objectives.

### **15. 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 the date stated therein. All the Senior Management Personnel shall be duly informed of such amendments and modifications.

### **16. PLACEMENT OF THE CODE ON WEBSITE**

Pursuant to Clause 46 2(d) of SEBI Regulations and the DPE guidelines, this Code and any amendment thereto shall be hosted on the website of the Company.

### **17. CLARIFICATIONS, IF ANY:**

Any Senior Management Personnel requiring any clarification regarding this code of conduct may contact Company Secretary.

## **18. ANNUAL COMPLIANCE REPORTING**

In terms of Regulation 26 of SEBI Listing Obligations and Disclosure Requirements Regulations 2015, all Senior Management Personnel shall affirm compliance of this Code in the draft format placed at **Appendix -II** within 30 days of close of every financial year. The Annual Report of the company shall contain a declaration to this effect signed by the Chairman & Managing Director. The Annual Compliance Report shall be forwarded to the Company Secretary. If any member from Senior Management leaves the Company any time during a financial year, he shall send a communication to Company Secretary affirming compliance of the Code till the date of his association with SCI.

## **19. ENFORCEMENT OF CODE OF CONDUCT**

All the Senior Management Personnel shall be accountable for fully complying with this Code.

## **20. CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE**

In case of breach of this Code by the Senior Management personnel(s), the same can be dealt with in accordance with the Conduct, Discipline & Appeal Rules (CDA Rules) of the Company in addition to the actions that may be taken by the Board of Directors.

## **21. ACKNOWLEDGEMENT OF RECEIPT OF THE CODE**

All the Senior Management Personnel's shall acknowledge receipt of this Code or any modification(s) thereto, in the acknowledgement form at **Appendix -I** and forward the same to the Company Secretary indicating that they have received, read, understood and agreed to comply with this code.



**APPENDIX – I**

**THE SHIPPING CORPORATION OF INDIA LIMITED**

**CODE OF BUSINESS CONDUCT & ETHICS FOR SENIOR MANAGEMENT  
PERSONNEL**

**ACKNOWLEDGEMENT FORM**

I \_\_\_\_\_, have received and read the Company's  
**"CODE OF BUSINESS CONDUCT & ETHICS FOR 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 :

E.C. NO. :

Date :

Place :

**APPENDIX – II**

**THE SHIPPING CORPORATION OF INDIA LIMITED**  
**CODE OF BUSINESS CONDUCT & ETHICS FOR SENIOR MANAGEMENT**  
**PERSONNEL**

**ANNUAL COMPLIANCE REPORT\***

I \_\_\_\_\_ do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the **CODE OF CONDUCT & ETHICS FOR SENIOR MANAGEMENT PERSONNEL** during the financial year ending 31<sup>st</sup> March, \_\_\_\_\_.

Signature :

Name :

Designation :

E. C. NO. :

Date :

Place :

\* to be submitted by 30<sup>th</sup> April each year.