

KONKAN RAILWAY CORPORATION LIMITED
CIN: U35201MH1990GOI223738

REVISED CODE OF CONDUCT AND ETHICS
FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY
(Approved in 155th Board of Director Meeting held on 18-01-2019)

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KONKAN RAILWAY CORPORATION LIMITED
CIN: U35201MH1990GOI22378

CODE OF CONDUCT AND ETHICS
FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY

1.0 INTRODUCTION

1.1 This Code of Conduct (“this Code”) shall be called “The Code of Conduct & Ethics for Board Members and Senior Management” of Konkan Railway Corporation Limited (hereinafter referred to as “the Company”).

1.2 The purpose of this Code is for enhancing and encouraging ethical and transparent process in managing the affairs of the Company.

1.3 This Code for Board Members and Senior Management has now been framed specially in compliance with the provisions of the Companies Act, 2013, the Guidelines of DPE and SEBI (LODR) Regulations, 2015.

1.4 It shall come into force with effect from the 18-01-2018 as revised Code of Conduct and Ethics for Board Members and Senior Management.

2.0 DEFINITIONS AND INTERPRETATIONS

2.1 The term “Board Members” shall mean Directors on the Board of the Company.

2.2 The term “Whole-time Directors” or “Functional Directors” shall mean the Directors on the Board of the Company who are in whole - time employment of the company.

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

2.4 The term “Independent Director” shall mean Independent Directors as defined in Section 2(47) and Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (LODR) Regulation, 2015.

2.5 The term “Relative” shall have the same meaning as defined in Section 2(77) of the Companies Act, 2013 and its relevant rules.

2.6 The term “Senior Management” shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would comprise all members of management one level below the Whole Time Directors or Functional Directors, including all functional heads and holding charge of Senior Management.

2.7 The term “the Company” shall mean KONKAN RAILWAY CORPORATION LIMITED having CIN: U35201MH1990GOI22378.

3.0 APPLICABILITY

3.1 This code shall be applicable to the following personnel:

a) All Whole-time Directors or Functional Directors (including the Chairman & Managing Director) of the Company.

b) All Part-time Directors (including Independent Directors and Government Nominee Directors).

c) Senior Management of the Company.

3.2 The Whole-time Directors or Functional Directors and Senior Management should continue to comply with other applicable/ to be applicable policies, rules and procedures of the Company.

4.0 CONTENTS 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

5.0 GENERAL MORAL IMPERATIVES

5.1 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. We must attempt to ensure that the products of our efforts will be used in socially responsible ways, will meet social needs and will avoid harmful effects to health and welfare of others. In addition to a safe social environment, human well-being includes a safe natural environment.

5.2 Therefore, all Board Members and Senior Management who are accountable for the train operation, maintenance, management of manpower and Project execution 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.

5.3 All Board Members and Senior Management must be honest, trustworthy and have Integrity as these are essential components of trust.

5.4 All Board Members and Senior Management 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.

5.5 All Board Members and Senior Management to have values of equality, tolerance, respect for others, and the principles of equity & justice govern this imperative. Discrimination, on the basis of race, sex, religion, caste, age, disability, national origins or other such factors, is an explicit violation of this Code.

5.6 The principle of honesty extends to issues of 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.

5.7 All Board Members and Senior Management, therefore, shall maintain the confidentiality of all confidential unpublished information about business and affairs of the Company.

5.8 To strive continuously to bring about integrity and transparency in all spheres of the activities.

5.9 Work unstintingly for eradication of corruption in all spheres of life.

5.10 Remain vigilant and work towards growth and reputation of the Company.

5.11 To provide value-based services to Company's stakeholders.

5.12 Do duty prudently and without fear or favour.

PART II

6.0 SPECIFIC PROFESSIONAL RESPONSIBILITIES

6.1 The Board Members and Senior Management need to imbibe and be alive to the Vision, Mission and objectives statement of KONKAN RAILWAY CORPORATION LIMITED each day.

6.2 Adhere to values of "Sadar Seva" adopted by the Company.

6.3 Strive to achieve the highest quality, effectiveness and dignity in both the processes and products of professional work: - Excellence is perhaps the most important obligation of a professional. Everyone, therefore, should strive to achieve the highest quality, effectiveness in their professional work.

6.4 Acquire and maintain professional competence: - Excellence depends on individuals who take responsibility for acquiring and maintaining professional competence. All are, therefore, expected to participate in setting standards for appropriate levels of competence, and strive to achieve those standards.

6.5 Compliance with Laws: - The Board Members and Senior Management of the CPSE shall comply with all the applicable provisions of existing local, state, national, and international laws. They should also follow and comply with the policies, procedures, rules and regulations relating to business of the Company.

6.6 Accept and provide appropriate professional review: - Quality professional work depends on professional review and comments. Whenever appropriate, individual members should seek and utilize peer review as well as provide critical review of the work of others.

6.7 Manage personnel and resources to enhance the quality of working life: - Organizational leaders are responsible for ensuring that a conducive working and business environment is created for fellow employees to enable them deliver to their potential. The Board Members and Senior Management would be responsible for ensuring human dignity of all employees, would encourage and support the professional development of the employees of the Company by providing them all necessary assistance and cooperation, towards enhancing the quality of their output and contribution to the Company.

6.8 Be upright and avoid any inducements: - The Board Members and Senior Management shall not, directly or indirectly through their family and other connections, solicit any personal fee, commission or other form of remuneration arising out of transactions involving the Company. This includes gifts or other benefits of significant value, which might be extended at times, to influence business for the organization or awarding a contract to an agency, etc.

6.9 Observe Corporate Discipline: - The flow of communication within the Company should not be rigid and the employees should be enabled to express themselves at all levels.

6.10 Conduct in a manner that enhances the image of the Company: - All are expected to conduct themselves, both on and off duty, in a manner that mirrors the ethos and culture of the Company. The sum total of their personal attitude and behavior 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.

6.11 Be accountable to Company's stakeholders: - All of those whom we serve, be it our 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 vested interest in making it all happen, the Vendors, who support the Company to deliver in time and Society to which Company is responsible for its actions – are stakeholders of the Company. All, therefore, must keep in mind at all times that they are accountable to Company's stakeholders.

6.12 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.

6.13 Protect properties of the Company: - The Board Members and Senior Management shall protect the assets including physical assets, information and intellectual rights of the Company and shall not use the same for personal gains.

PART – III

7.0 SPECIFIC ADDITIONAL PROVISIONS FOR BOARD MEMBERS AND SENIOR MANAGEMENT

7.1 As Board Members and Senior Management: They shall undertake to actively participate in the meetings of the Board and Committees on which they serve.

7.2 As Board Members

7.2.1 Undertake to inform the Chairman and Managing Director/ Company Secretary of the Company of any changes in their other Board positions, relationship with other business and other events/ circumstances / conditions that may interfere with their ability to perform Board/ Board Committee duties or may impact the judgement of the Board as to whether they meet the independence requirements of Listing Agreement with Stock Exchanges and the Guidelines of DPE and the Companies Act, 2013 or rules framed thereunder.

7.2.2 Undertake that without prior approval of the disinterested members of the Board, they will avoid apparent conflict of interest. Conflict of interest may exist when they have personal interest that may have a potential conflict with the interest of the Company. Illustrative cases can be:

Related Party Transactions: Entering into any transactions or relationship with Company or its subsidiaries in which they have a financial or other personal interest (either directly or indirectly such as through a family member or relation 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.

Use of Official position for personal gains: Should not use their official position for personal gains.

7.3 Compliance with the Code of Conduct and Ethics

7.3.1 All Members of the Board and Senior Management of Company shall uphold and promote the principles of this code.

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

7.3.2 Treat violations of this code as inconsistent association with the organization

Adherence of professionals to a code of ethics is largely and generally a voluntary matter. However, if any of Board Members and Senior Management does 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.

7.4 Miscellaneous Points

7.4.1 Continual up-dation of Code

This Code is subject to continuous review and up-dation in line with any changes in law, changes in Company's philosophy, vision, business plans or otherwise as may be deemed necessary by the Board and all such amendments / modifications shall take effect prospectively from the date stated therein.

7.4.2 Where to seek clarifications

Any member of Board or Senior Management requiring any clarification regarding this code of conduct may contact Company Secretary/ any officer specifically designated by the Board of Directors.

8. ANNUAL COMPLIANCE REPORTING

8.1 All Board Members and Senior Management shall affirm compliance of this Code 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. A Proforma of Annual Compliance Report is at **Appendix – I**. The Annual Compliance Report shall be forwarded to the Company Secretary. If any Director / Senior Management Personnel leaves the Company at any time during the financial year, he shall send a communication to the Company Secretary affirming the compliance of the Code.

9. ACKNOWLEDGEMENT OF RECEIPT OF THE CODE

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

KONKAN RAILWAY CORPORATION LIMITED
CIN: U35201MH1990GOI223738
CODE OF CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR
MANAGEMENT

ANNUAL COMPLIANCE REPORTING

I.....(name).....
(designation), having read and understood the Code of Conduct and Ethics for Board Members and Senior Management, hereby solemnly affirm that I have complied with and have not violated any of the provisions of the Code during the year ended 31st March,.....

Signature: _____

Name: _____

Designation: _____

Employment Number: _____

Telephone No: _____

Date: _____

Place: _____

APPENDIX – II

**KONKAN RAILWAY CORPORATION LIMITED
CIN: U35201MH1990GOI223738**

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

**ACKNOWLEDGEMENT OF RECEIPT OF CODE OF CONDUCT AND
ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT**

I have received and read the code of Conduct and Ethics for Board Members and Senior Management of KONKAN RAILWAY CORPORATION LTD. I understand the standards and policies contained in the said Code of Conduct and Ethics and understand that there may be additional policies or laws specific to my job. I further agree to comply with the said Code of Conduct and Ethics for Board Members and Senior Management.

If I have questions concerning the meaning or application of the said Code of Conduct and Ethics, any policies of the CPSE or the legal and regulatory requirements applicable to my job, I know I can consult Company Secretary of KRCL knowing that my questions or reports will be maintained in confidence.

Further, I undertake to provide following Affirmation on an Annual basis to the Company within 30 days from the end of 31st March every year.

Signature: _____

Name: _____

Designation: _____

Employment Number: _____

Telephone No: _____

Date: _____

Place: _____

To: Company Secretary, KRCL @ co.secy@konkanrailway.com