

## I. POLICY STATEMENT AND PURPOSE

We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislations. We are committed to acting fairly, ethically and with integrity and transparency in all our business operations. This includes compliance with applicable laws, prohibiting improper payments, gifts or inducement of any kind or form from any person. We are committed to the prevention, deterrence and detection of bribery and other corrupt business practices which extends to implementing and enforcing effective systems to counter money laundering, bribery and corruption. We have a “Zero tolerance” for money laundering, bribery and corruption.

The purpose of the **Anti Money Laundering, Anti Bribery and Anti Corruption Policy** is to ensure that our Company sets up adequate procedures to prevent our Company’s involvement in any activity related to bribery, facilitation payments, corruption or money laundering even where the involvement may be unintentional. It requires associates, directors, officers and other stakeholders and those who work with us and are subject to this Policy to recognize questionable transactions, behaviour or conduct and to take steps to comply and follow procedures to deal with these instances. Some examples are provided in the annexure to this policy.

This Policy constitutes a minimum standard. It must be complied within any country in which our Company does business even when this Policy is stricter than the anti-money laundering laws that are applicable in that country, including both applicable local laws and those laws with extraterritorial application. However, wherever anti-money laundering laws are stricter than this Policy, such laws must be complied with.

The guidelines in this Policy supplement our Code of Conduct and should be read in conjunction with:

- a. The Code of Conduct
- b. The Transparency & Ethics Policy;
- c. The Whistle blower Policy
- d. Any other relevant policies as may be implemented from time to time.

As no code of conduct or policy can cover every possible situation, our Company relies on the Designated Persons to use good judgment and to speak up when they have either questions or concerns.

The present laws dealing with bribery, corruption and money laundering are as follows:

- a. Prevention of Corruption Act 1988
- b. Indian Penal Code 1860
- c. Central Vigilance Commission Act 2003
- d. Lok Ayukta Acts of various states.

## II. SCOPE AND APPLICABILITY

This Policy is applicable to our Company and all its subsidiaries and associates in India and overseas, all individuals working at all levels and grades, including directors, senior management, officers, other associates (whether permanent, fixed-term or temporary), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, or any other person associated with our Company.

This policy is also applicable to any individual or organisation that an associate may come into contact with during the course of his/her engagement with the Company, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, business associates, government, non-government organizations and public bodies including their advisors, representatives and officials, politicians and political parties.

### III. OMBUDSMAN

- a. Our Company shall, from time to time, designate an associate of sufficient seniority, competence and independence as ombudsman to ensure compliance with this Policy (“Ombudsman”).
- b. All reports, complaints, doubts or concerns in relation to this Policy shall be raised to the Ombudsman on 9619993643 or lodhaombudsman@gmail.com.
- c. Any action required to be undertaken under this Policy shall be taken by the Ombudsman in accordance with this Policy. Aggravated cases of breach of this Policy shall be escalated to the Board of Directors of our Company (“Board”).

### IV. BRIBERY & CORRUPTION

Bribery is:

- a. An offer, promise or receipt of any gift, hospitality, loan, fee, reward or other advantage to induce or reward behaviour which is dishonest, illegal or a breach of trust, duty, good faith or impartiality in the performance of a person's functions or activities (including but not limited to, a person's public functions, activities in their employment or otherwise in connection with a business); or
- b. An offer or promise of any gift, hospitality, loan, fee, reward or other advantage to a public official with the intention of influencing the public official in the performance of their public function, to obtain a business advantage.

Bribery includes not only direct payments, but also authorising or permitting an associate or third party to commit any of the acts or take any part in the above actions. A non-exhaustive list of unacceptable behaviour is set out below:

- a. give, promise to give, or offer, a payment, gift or hospitality to secure or award an improper business advantage;
- b. give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to facilitate, expedite, or reward any action or procedure;
- c. accept payment from a third party knowing or suspecting it is offered with the expectation that it will obtain a business advantage for them;
- d. induce another individual or associate to indulge in any of the acts prohibited in this policy;
- e. threaten or retaliate against another associate who has refused to commit a bribery offence or who has raised concerns under this policy;
- f. give or accept any gift where such gift is or could reasonably be perceived to be a contravention of this policy and / or applicable law; or
- g. engage in any activity that might lead to a breach of this policy

## V. FACILITATION PAYMENTS AND KICKBACKS

The Company prohibits making or accepting, facilitation payments or kickbacks of any kind. Facilitation payments are typically unofficial payments made to secure or expedite a routine action by an official. Kickbacks are typically payments made in return for a business favour or advantage. All associates must avoid any activity that might lead to a facilitation payment or kickback being made or accepted.

If you are asked to make a payment on behalf of the Company, you must consider the purpose of the payment and whether the amount requested is proportionate to the goods or services provided. Any request for a facilitation payment should be refused unless you feel you are at risk of injury, of detention, or for your life, if you refuse. If one of these exceptions applies, a receipt should be obtained and the matter reported, as soon as possible, to the Ombudsman on **96199 93643** or **lodhaombudsman@gmail.com**.

Bribe takers, bribe givers, bribe abettors etc may be subject to fines and/or imprisonment under Indian regulations.

While an exhaustive list cannot be provided, set out below are indicative actions or situations or parties may be “Red Flags”:

- a. Being aware that a third party engages in, or has been accused of engaging in, improper business practices;
- b. Learning that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- c. A third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- d. A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- e. A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- f. A third party requests an unexpected additional fee or commission to "facilitate" a service;
- g. A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- h. A third party requests that a payment is made to "overlook" potential legal violations;
- i. A third party requests that you provide employment or some other advantage to a friend or relative;
- j. You receive an invoice from a third party that appears to be non-standard or customised
- k. A third party insists on the use of side letters or refuses to put terms agreed in writing;
- l. You observe that the Company has been invoiced for a commission or fee payment that appears large compared to the service stated to have been provided
- m. A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to the Company; and/or
- n. You are offered an unusually generous gift or lavish hospitality by a third party

## VI. DONATIONS

The Company may make donations but only if they are ethical and in compliance with this policy and applicable laws.

## VII. MONEY LAUNDERING

“Money Laundering” means any act or attempted act to conceal or disguise the true origin and ownership of illegally obtained proceeds so that they appear to have originated from legitimate sources thereby avoiding prosecution, conviction and confiscation of the illegal proceeds.

While an exhaustive list cannot be provided, set out below are indicative actions or situations or parties may be “Red Flags”:

- a. Customers or suppliers who are connected to countries identified as non-cooperative by the ‘Financial Action Task Force on Money Laundering’
- b. Customers or suppliers who are reluctant to provide complete information and/or provide insufficient, false, or suspicious information or who are unwilling to comply with our Company’s KYC norms as may be in force from time to time;
- c. Customers or suppliers who appear to be acting as an agent for another company or individual, but decline or are reluctant to provide information regarding that company or individual;
- d. Customers or suppliers who express concern about, or want to avoid, reporting or record-keeping requirements;
- e. Payments of amounts in excess of Rs.20,000/- (Rupees Twenty Thousand) only made in cash or cash equivalents, such as money orders, traveller’s cheques, internet currencies or prepaid cash cards. Acceptance of such amounts of cash or cash equivalents as a form of payment by our Company is strongly discouraged.
- f. Purchase of products, or a larger volume purchase, that appears to be inconsistent with a customer’s normal ordering pattern, and in the absence of any legitimate business reason such as a special price promotion;
- g. Complex deal structures or payment patterns that reflect no real business purpose or economic sense;
- h. Requests for payment to be made through an unrelated country or to an unrelated third party;
- i. Multiple partial payments from various parties on behalf of a single customer and/or multiple partial payments from various locations.
- j. Customers or suppliers whose address is not at physical site;
- k. Customers making a funds deposit followed by an immediate request that the money be wired out or transferred to a third party, or to another firm, without any apparent business purpose;
- l. Customers paying in one form of payment and then requesting a refund of the payment in another form e.g. paying by credit card and requesting a wire transfer or cash refund.

## VIII. RESPONSIBILITY OF ASSOCIATES

Associates must ensure that they have read and understood this policy and, must at all times comply with the terms and conditions of this policy.

Prevention, detection and reporting of bribery, corruption and money laundering is the responsibility of all those working for us or under our control. All associates are required to avoid any activity that might lead to a breach of this policy.

Associates are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, you should raise the matter with your reporting manager or consult an appropriate member of the

Human Resource (HR) team. Concerns should be reported by following the procedure set out in the Whistleblower Policy and the Transparency & Ethics Policy, which is available on our website.

Any associate who breaches any of the terms of this policy will face disciplinary action, which could result in dismissal for gross misconduct.

#### **IX. RECORD KEEPING**

The Company will keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to, and receiving payments from, third parties.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness.

No records shall ever be kept "off-book" to facilitate or conceal improper payments.

#### **X. COMMUNICATION**

A pledge/undertaking to comply with this policy, in letter and spirit, will be required to be taken by all Associates at time of joining / confirmation. HR shall also ensure that this policy is widely communicated to all existing associates at all locations of the Company and affirmed from time to time.

The Company's zero-tolerance approach to money laundering, bribery and corruption shall be communicated to all agents, suppliers, contractors and business partners at the outset of the Company's business relationship with them and as appropriate thereafter.

Wherever possible, all third parties should be sent a copy of this policy at the outset of the business relationship. A pledge/undertaking to comply with this policy, in letter and spirit, shall form an integral part of every contractual document entered into by Company (except in case of Agreements with Company Customers, in which case this policy will be made widely known to customers but they will not be required to become signatories to it). Procurement, Sales (and any other department entering into a contractual transaction) shall ensure that this policy is made known and reiterated from time-to-time to all Partners.

#### **XI. MONITORING AND REVIEW**

The primary responsibility of implementing this policy is with the Head Human Resources who will also monitor effectiveness and review implementation of this Policy and reserves the right to amend it from time to time.