



Vaibhav Global Limited

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ANTI-BRIBERY & CORRUPTION (ABC) POLICY

1. POLICY STATEMENT

This policy is issued in pursuant to “Code of Conduct” and to ensure that the business of Vaibhav Global Limited (“the Company”/“VGL”) is conducted in an honest and ethical manner. The Company takes a zero-tolerance approach to Bribery and Corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates, as well as implementing and enforcing effective systems to counter bribery.

We uphold all laws relevant to countering bribery and corruption applicable to us in the conduct of our business across all the jurisdictions in which we operate. It remains bound by Indian Prevention of Corruption Act, 1988 (“PCA”). In addition to the PCA, inter-alia the following laws in India also presently apply to offences relating to or resulting in corruption and bribery and resolutions available in case of occurrence of corruption or bribery:

- i) Indian Penal Code, 1860 (“IPC”);
- ii) Prevention of Money Laundering, 2002;
- iii) Central Vigilance Commission Act, 2003;
- iv) Lok Ayukta Acts of various states

2. DEFINITIONS

a) Bribery / Corruption:

“Bribery” : Bribery occurs when one person offers, pays, seeks or accepts a payment, gift, favor, or a financial or other advantage from another to unfairly influence a business outcome, to induce or reward improper conduct or to gain any commercial, contractual, regulatory or personal advantage. It can be direct or indirect through Third Parties or agent.

“Corruption”: Corruption includes wrongdoing on the part of an authority or those in power through means that are illegitimate, immoral or incompatible with ethical standards. Corruption often results from patronage and is associated with bribery.

b) “Third Party”: Any individual or organization that interacts with the Company and its employees. This includes actual and potential customers / clients, suppliers, vendors, consultants, retainers, agents, advisors, distributors, Intermediaries, government, public bodies, including their advisors, representatives and officials, politicians and political parties.

c) “Agent”: Any individual acting as an agent, appointed by the Company, acting on the Company’s behalf in negotiating with Third Parties.

d) “Intermediary”: Includes but is not limited to agents, distributors, consultants, sales representatives, implementation partners, sales partners.

e) “Public Official”: Officials or employees of any government or other public body, agency or legal entity, at any level, including officers or employees of state-owned corporations.

f) “Corporate ABC Officer”: Compliance Officer of the Company or any other senior employee deputed by the Top Management to administer and ensure compliance related to the Anti-Bribery & Corruption (ABC) Policy.

g) “Ethical Counsel”: Group CFO and VP – HR (VGL Group).

3. SCOPE

This policy applies to all employees (full-time, part-time and those on contractual assignments) of the Company including entities over which the Company has management control. This policy is also applicable to relevant Third Parties and their employees deployed for the Company’s activities, whether working from any of the Company’s offices or any other location and shall be communicated to them prior to entering into a business relationship and as appropriate thereafter.

This policy applies in all countries or territories where the Company operates. Where local customs, standards, laws or other local policies apply that are stricter than the provision of this policy, the stricter rules will be complied with. However, if this policy stipulates stricter rules than local customs, standards, laws or other local policies, the stricter rules of this policy shall apply.

4. EMPLOYEE ACCOUNTABILITIES

a) It is not acceptable for employees (or someone on their behalf) to:

- Give, promise to give, or offer, a payment, gift or hospitality to a Public Official or Third Party:

(i) with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;

(ii) to ‘facilitate’ or expedite a routine procedure;

(iii) in employee’s name and not in the name of the Company;

(iv) If it includes cash or a cash equivalent (such as gift certificates or vouchers);

(v) if it is of an inappropriate type and value and given at an inappropriate time (e.g. during a tender process); and

(vi) if it is given secretly and not openly.

- threaten or retaliate against another employee who has refused to commit a bribery offence or who has raised concerns under this policy.

- all employee of the Company must familiarize and comply with our Company’s Gifts Policy, travel policy and local conveyance policy etc.

The points stated above are illustrative in nature and in no way, intend to limit the applicability of this Policy.

b) The prevention, detection and reporting of any form of Bribery & Corruption are the responsibility of all employees. Employees must notify Company's Corporate ABC Officer ([Email: sushil.sharma@vglgroup.com](mailto:sushil.sharma@vglgroup.com)) and/or ethical counsel (nitin.panwad@vglgroup.com; pushpendra@vglgroup.com) as soon as possible, if they are offered a bribe, are asked to make one, suspect that this may happen in the future, or believe that they are a victim of another form of unlawful activity or are aware of any bribe paid or received by any colleague or third party.

c) All employees need to ensure strict adherence to the Policy irrespective of whether amount paid for gifts, entertainment, travel etc. are claimed by the employee from the Company.

d) All Employees have the responsibility to read, understand and comply with this policy. They should at all times, avoid any activity that might lead to, or suggest, a breach of this policy.

5. WILFUL BLINDNESS

If an employee willfully ignores or turns a blind eye to any evidence of corruption or bribery within his / her department and/or around him / her, it will be treated as a violation under this policy. Although such conduct may be "passive", i.e. the employee may not have directly participated in or may not have directly benefited from the corruption or bribery concerned, the willful blindness to the same can, depending upon the circumstances, carry the same disciplinary action as an intentional act.

6. 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.

Employees must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review and/or a review from Corporate ABC Officer and/or ethical counsel.

Employees must ensure that all expense claims relating to hospitality, gifts or expenses incurred for third parties are submitted in accordance with the Company's applicable policy and specifically record the reason for such expenditure. Employees shall further ensure that all expense claims shall comply with the terms and conditions of this policy.

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.

7. AUDIT PROCEDURES TO VERIFY COMPLIANCE

In line with this Policy, the Company may conduct, via the Internal Audit Department and/or an external agency, regular and confidential audits as described in this section. These regular audits are designed to prevent and detect violations of the Anti-Bribery and Corruption Policy and other Company policies, practices and procedures. The audits shall focus on the following items:

- ensuring compliance with the Anti-Bribery and Corruption Policy;
- communication with and education of all pertinent Company Personnel;
- establishment and implementation of monitoring mechanisms;
- review of a random sample of the Company's business agreements;
- due diligence procedures taken prior to entering into arrangements with third parties; and
- best efforts to ensure all units comply with the Anti-Bribery and Corruption Policy.

The regular audits should also include a review of the Company's books and records maintained by the Account & Finance Department pertaining to the entertainment, gift, and travel expenditures by Company Personnel on behalf of the Company. As necessary, such regular audits should also include records pertaining to social payments and donations to charities.

8. PROTECTION FROM RETALIATION

Employees who refuse to take part in bribery or corruption, or report in good faith under this policy their suspicion that an actual or potential bribery or other corruption offence has taken place or may take place in the future will be protected from detrimental treatment/retaliation. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

9. GOVERNANCE

The respective unit heads and/or functional heads have overall responsibility for ensuring that their Business Unit or Department complies with our legal and ethical obligations, and that all those under our control comply with it.

The Corporate ABC Officer has primary responsibility for implementing this policy and for monitoring its use and effectiveness.

Managers at all levels are responsible for ensuring that they exemplify the principles outlined in this policy and ensure that their team adheres to the policy.

10. REPORTING OF CONCERNS & VIOLATIONS AND RAISING OF QUERIES ON ANTI- BRIBERY AND CORRUPTION

Every person, to whom this policy applies, is encouraged to raise their concerns about any bribery issue or suspicion of malpractice at the earliest possible stage. The identity of the person will be kept confidential to the extent possible given the legitimate needs of law and the investigation and have opportunities for providing their inputs during the investigation.

Once an employee's disclosure or concern has been submitted, it will be jointly reviewed by the Corporate ABC Officer and ethical counsel. At least three members' committee shall be formed under the supervision of Head – Internal Audit or any other person to conduct investigation.

The said Committee shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Corporate ABC Officer as soon as practically possible and in any case, not later than 60 days from the date of receipt of the disclosure. The ethical counsel will decide the action to be taken on the recommendations.

In case the concern is regarding Corporate ABC Officer, the case shall be submitted to ethical counsel directly. In case the concern is regarding ethical counsel, the case shall be submitted to Managing Director directly.

The Committee's report will be dealt with confidentiality. If an employee is unsure whether a particular act constitutes bribery or corruption or if they have any other queries, he may get clarity in writing from Corporate ABC Officer/ ethical counsel.

Employees who violate this Policy are subject to disciplinary action which may include any of the following:

- a. Formal apology
- b. Counselling
- c. Written warning and a copy of it maintained in the employee's file.
- d. Change of work assignment / transfer
- e. Suspension or termination of services of the employee found guilty of the offence

If Third Party violate this Policy, which may be subject to the imposition of large fines / penalties as the case may be or the immediate termination of all commercial relationships with the Company in discussion with the respective Business/functional Heads.

11. MONITORING AND REVIEW

a) This Policy will be administered by the Company's Corporate ABC Officer, who will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Company's Corporate ABC Officer will report any violations of this Policy to the ethical counsel. The Corporate ABC Officer will be supported by the Company's Personnel & Administration, Internal Audit, Finance/Accounts, and Legal Departments, if required.

b) To ensure that all Company employees and all its business partners, vendors, relevant third parties, are thoroughly familiar with the provisions of this Policy and any other applicable anti-corruption laws, the Company shall provide knowledge to Company employees, as appropriate.

c) Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective. Head – Internal Audit will report to the Corporate ABC Officer annually on the application and effectiveness of this policy.

12. CONFLICT IN POLICY

In the event of any conflict between this Policy and the provisions contained in the law, the law shall prevail.

13. AMENDMENTS

The Group CFO and VP HR are jointly authorized to change/amend this policy from time to time at its their discretion and/or in pursuance of any applicable laws.
