

GIFTS, HOSPITALITY AND TRAVEL POLICY

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CIN : U24233DL2005PLC139667

Tirupati Medicare Limited

Fostering life through innovation

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1. Introduction

The giving and receiving of corporate gifts and hospitality is a widely accepted part of day – to – day business; a courtesy in business symbolizing the act of kindness and appreciation, if it is done through incidental business related events or occasions, through the proper channels and carried out in good faith.

However, in certain circumstances, the giving and receiving of gifts, hospitality or travel may create an expectation or create a feeling of retribution, perception of bribery or inappropriate advantage, ultimately resulting in a conflict of interest.

Such situations involving actual or perceived unethical conduct, carried out in bad faith, in order to gain favour or improperly influence the normal functioning of a public or private sector official are strictly prohibited. TML strongly upholds a zero - tolerance approach towards such practices. Employees should firmly refuse giving or receiving gifts, hospitality, entertainment etc. regardless of the type or apparent value, if they are not in line with this Policy.

2. Objective

The purpose of this policy is to set out the guidelines and procedures for giving and receiving gifts, hospitality, entertainment and other benefits. This principle aim of this policy is to minimize real, potential or perceived conflicts of interest and situations that may be characterized as bribery or corruption. The items within this policy should be interpreted as a whole and should be considered complimentary to TML's Code of Conduct.

3. Applicability

This policy shall be followed by all Employees of TML and would be applicable to all third parties with whom the Company deals, including but not limited to Public Officials, vendors, consultants, customers, etc.

4. Definitions

“Bribery” means the act of offering, giving or receiving anything of value aimed at inappropriately or unethically influencing or guaranteeing an advantage in relation to any business dealing, contract, decision or result.

“Employee” means every individual on the employee payroll of TML (whether in India or abroad), consultants and includes non-executive and independent directors.

“Entertainment” means any activity or event where the sole purpose is entertainment or leisure such as parties, shows, movies, sporting events or dining out and commemorative meals.

“Festivals” includes festivals of regional and of religious importance and includes Diwali, Holi, New Year, Christmas, Eid and others as notified in the Gazette of India.

“Foreign Official” means any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency, or instrumentality, or for or on behalf of any such public international organization.

“Gift” means any item that (i) has a nominal value and includes moderately priced assortments; (ii) is distributed as a courtesy, advertising, regular marketing tool or festivity; (iii) bears the company logo of the issuing party; (iv) is of a general nature and therefore, does not exclusively target any individual or organization.

“Hospitality” includes travel costs (air, ground or maritime travel costs), accommodation, hospitality fees, food services and costs, whether classified as corporate entertainment, or otherwise.

“Policy” means the Gift, Entertainment and Travel Policy.

“Public Official” means anyone in the service of the Central Government, State Government or an instrumentality of the Central and State Government and includes *inter alia* persons employed by any government ministry, department or agency, an official of a political party, or a candidate for political office, members of Parliament or other legislative bodies, ministers of finance or other financial regulators, governors or provincial or district leaders, members of the judiciary, government enforcement authorities, anyone working in city and local governments, at any level etc.

“TML” or “Company” means Tirupati Medicare Limited and its subsidiaries

5. Acceptance of Gifts, Hospitality and Travel

5.1 General Directives

5.1.1 All gifts, hospitality and travel received by Employees at any level, which exceeds INR 1,500 (Rupees one thousand five hundred only), must be declared through the Gifts Acceptance Form (Annexure 2) and duly recorded in the Gifts

and Hospitality Register (Annexure - 1), available on the company network and maintained by the Ethics Officer of the Company, either manually or in electronic form.

- 5.1.2 Any gifts having value exceeding INR 1,500 (Rupees one thousand five hundred only)¹, even if they bear the company brand, such as presents, sporting event tickets and shows are acceptable but will be put up for drawing or be distributed amongst Employees, as per discretion of the Ethics Committee, in order to avoid any situations that may interfere with regular decision making or cause, or be perceived to cause, any discredit to the individual Employee or the Company.
- 5.1.3 The Ethics Officer shall analyse all declarations made in relation to gifts, hospitality and travel and evaluate whether the Employee may keep the item or if it will be announced on the internal network and put up for drawing.
- 5.1.4 It is strictly forbidden to resell any gifts, hospitality, sporting event tickets or entertainment tickets that are raffled off both in and out of the office.
- 5.1.5 Any dining out should preferably take place at lunch hours and dining out with suppliers should be avoided during the negotiation/contract signing phases.
- 5.1.6 It is expressly forbidden for Employees to solicit favours or gifts from partners with whom the Company does business for either personal gain or for gain to a family member, as well as misleading or giving the impression that any transaction, contract for decision depends on the promise of a favor, present or hospitality.
- 5.1.7 It is also expressly forbidden for Employees to accept any money in the form of cash, irrespective of the amount.
- 5.1.8 Any Employee who is invited to participate in sponsored events or events promoted by partners, suppliers or any business partner, may only accept such invitation after formal approval and consent has been granted by the Ethics Officer/CEO of the Company. Formal approval must also be obtained should the event organizer offer to pay for travel and other hospitality. However, this shall not be applicable in cases of familiarization trips or other routine trips for business purposes.

¹ This value is in accordance with the Central & State Conduct Rules. However this policy does not apply to gifts given to employees of the Company.

- 5.1.9 Travel costs will not be approved for any individuals connected to the beneficiary, for example family members.
- 5.1.10 Employees must not receive gifts, hospitality or travel at their place of residence.
- 5.1.11 Employees should avoid receiving any gifts from the same supplier, partner or third-party provider more than 2 (two) times in any 12 (twelve) month period.
- 5.1.12 In the event that the Ethics Officer determines that the gift, hospitality or travel received is outside of the normal procedures of this Policy, the Employee may also be instructed to return the item to the issuing individual or organization, duly justifying the reasons for refusal. In such cases, the format of the letter provided in Annexure - 4 should be used to formally return the said gift, hospitality or travel.
- 5.1.13 If an Employee has any questions regarding receiving any type of gift or hospitality, they may contact their immediate superior/manager or may directly contact the Ethics Officer for further clarification.

6. Offering of Gifts, Hospitality and Travel

- 6.1 Prior approval must be obtained for any gifts, hospitality and travel exceeding INR 1,500 (Rupees one thousand five hundred only) offered by Employees to any third party through the Gift Offering Declaration Form (Annexure - 3) and duly recorded in the Gifts and Hospitality Register maintained by the Ethics Officer. The disclosure form must be approved by the head of the department of the employee before it is being submitted to the Ethics Officer.
- 6.2 Gifts must be provided only as a courtesy, advertising, regular marketing tool, festivity or a bona fide promotion.
- 6.3 Institutional gifts and corporate marketing material of nominal value are allowed to be offered to third parties, customers, business partners, suppliers and vendors as a goodwill gesture or for a bona fide promotion (such as office materials, daily planners, pens, calendars, hats, books, etc.).
- 6.4 Gifts like eatables, sweets etc. can be given on festive occasions as a customary practice, in spirit of goodwill and relationship development.
- 6.5 Gifts, hospitality and entertainment must not be offered to obtain or retain business or gain an improper advantage in business. Employees must refrain from giving any gifts that imply soliciting a favourable response in future dealings with that person or entity.

- 6.6 Offer of gifts, hospitality and entertainment must be lawful under the laws of the country where the gift is being given.
- 6.7 Gifts must not be in the form of cash. Gifting of cash, valuables/vouchers for exchange etc. are strictly forbidden. Therefore, such gifts must not be given or offered to any Public Official or any other organization, in order to facilitate/speed up a process or gain an illegitimate business advantage.
- 6.8 Employees are strictly prohibited from sending any gifts at the residence of Public Officials, representatives of agencies, suppliers, distributors, service providers etc.
- 6.9 Any dining out should preferably take place at lunch hours, and luncheons and dining out with business partners should be avoided during the negotiation/contract signing phases. Employees should exercise individual discretion and the expenses incurred should be within reasonable limits.
- 6.10 Hotel accommodation, travel arrangements and other hospitality must not be organized for third parties, business partners, customers or Public Officials other than in the normal course of business or if the agreement with such third party specifically allow for such arrangement.² Complementary hotel rooms or tours organized for third parties, business partners or Public Officials in connection with routine business of the Company must adhere with this Policy.
- 6.11 Efforts shall be made to make direct payments to the hotel, airline or service provider instead of reimbursing the same to the Public Official or any other third party.
- 6.12 The gifts, hospitality and travel provided to Public Official should confirm and align from time to time with the central and state services conduct rules and shall always be within reasonable bounds.
- 6.13 If an Employee has any questions regarding offering any type of gift or hospitality, they may contact their immediate superior, manager or directly contact the Ethics Officer for further clarification;
- 6.14 All the gifts, hospitality and travel offered must be accurately recorded in the Company's books and records.

7. Communication and Training

- 7.1 The Company shall maintain a communication plan and periodic training sessions for its Employees, suppliers, business partners etc., to promote and strengthen the importance of compliance of the Gifts, Hospitality and Travel Policy.
- 7.2 The senior management of TML should be held responsible for discussing the relevance and promoting awareness in relation to compliance with the Policy. Efforts should be made to create a safe environment for Employees and third parties to openly approach the Ethics Officer and the senior management with questions or concerns regarding how to deal with issues.

8. Confidential Communication Channel

It is imperative that all individuals affected by this policy immediately report any acts or suspicions of bribery, corruption and/or giving/receiving bribes or any other acts that may violate the provisions of this Policy and/or the Code of Conduct to the Ethics Officer. In furtherance of the same, the Company has developed a confidential whistle blower mechanism (please refer to the Whistle Blower Policy) to encourage protected disclosures.

9. Investigations and Sanctions

All reported infractions of this policy will be immediately investigated to the fullest extent by the Ethics Officer, in accordance with the terms of the Compliance Responsibility Structure Policy. If any misconduct is, in fact, verified after the appropriate investigation, immediate corrective measures will be taken according to the circumstances, severity and in accordance with the applicable laws.

Any Employee, third party service provider or partner that violates this Policy shall be subject to disciplinary actions.

10. Amendment

TML reserves the right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

Annexure – 1 – Gift Register

REGISTER OF GIFTS/HOSPITALITY/TRAVEL RECEIVED OR OFFERED

Sl. No	Details of Parties (Details of both parties – Receiver and Offeror)	Description of Item	Reasons/Purpose	Date of Receipt or Offer	Estimated Monetary Value (INR)	Signature of Ethics Officer

Annexure – 2 – Declaration for receipt of gift/hospitality/travel

<u>DECLARATION FOR RECEIPT OF GIFT/HOSPITALITY/TRAVEL</u>	
Employee Name:	Division:
Employee Code:	Location:
Details/Purpose:	
Approximate Value:	
Details of Offeror:	
I hereby declare that the gifts/hospitality/travel received by me are in accordance with the Company's Code of Conduct, Gift Entertainment & Travel Policy and other internal policies.	
Signature:	Date:

Annexure – 3 – Declaration for offering of gift/hospitality/travel

<u>DECLARATION FOR OFFERING GIFT/HOSPITALITY/TRAVEL</u>		
Employee Name:		Division:
Employee Code:		Location:
Details/Purpose:		
Approximate Value:		
Party Name:		
Approved By: (Department Head)	Approved By: (Ethics Officer)	Date
I hereby declare that the gifts/hospitality/travel offered by me are in accordance with the Company's Code of Conduct, Gift Entertainment & Travel Policy and other internal policies.		
Signature:		Date:

Annexure 4 – Sample Form Letter

Dear Mr. _____

We at Tirupati Medicare Limited would like to thank you for the [description of gift] you recently sent.

Our Company's gift policy discourages employees from receiving or giving gifts above reasonable value. In keeping with the same I would be unable to accept your gift and hence am obliged to return it.

We appreciate our business relationship with you and look forward to that relationship continuing.

Sincerely yours,

[Name]

[Designation]

[Date]