

Ramkrishna Forgings Limited

**Anti-Bribery and Anti-Corruption
Policy**

Version - 01

01st October, 2023

1. Policy Statement

Ramkrishna Forgings Limited (herein referred to as “the Company” or “Ramkrishna”) and its subsidiaries through the adoption of the Anti-bribery and Anti-corruption (herein referred to as “ABAC”) Policy is committed to conducting business in an ethical manner and ensuring that bribery and corruption does not exist in the Company by implementing Anti-bribery and Anti-corruption practices.

The Company has zero-tolerance to bribery and corruption and is committed to conducting business in consonance with applicable laws, highest ethical standards and ensure(s) the prevention, detection and deterrence of bribery and corruption.

This Policy is reflected in and is consistent with our Code of Conduct which sets out that under no circumstances any employee should accept any offer, payment, promise to pay or authorization to pay any money or anything of value from customers, vendors, consultants that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud of opportunity for the commission of any fraud.

2. Purposes

The purpose of the Policy is to:

- i. Prevent an employee of the Company from engaging in any corrupt practices that are against the rules, laws and regulations in India or other countries in which the Company operates, including but not limited to, Foreign Corrupt Practices Act, 1977 (‘FCPA’) (United States), United Kingdom Bribery Act, 2010 (‘UKBA’), Prevention of Corruption (Amendment) Act, 2018 (‘POCA’) (India) and other Anti-bribery and Anti-corruption laws and regulations, as may be applicable.
- ii. In addition to the POCA, 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:
 - a) Indian Penal Code, 1860 (‘IPC’);
 - b) The Prevention of Money Laundering Act, 2002;
 - c) The Central Vigilance Commission Act, 2003;
 - d) Lok Ayukta Acts of various states.
- iii. Provide guidance to the employees of the Company pertaining to identification and reporting of any violations pertaining to bribery and corruption, which they may encounter during their work.
- iv. Provide rules for gifts, entertainment, employment and engagement of Third Parties.
- v. Create and maintain a framework for dealing with any suspected instances of bribery and/or corruption.
- vi. Define standards/rules for maintenance of accurate books and records.

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

- i. Code of Conduct;
- ii. Anti-Money Laundering Policy;
- iii. the Whistle-blower Policy;

- iv. Any guidance published pursuant to this policy; and
- v. Any other relevant policies as may be implemented from time to time.

3. Scope

This Policy applies to all designated persons (as defined below) and third parties associated with the Company (employees and third parties being collectively referred to as "Personnel"):

- a. Designated Person(s) includes the promoters; directors; key managerial personnel; auditors; all employees and support staff of the Accounts, Finance, Legal, Internal audit, Information technology and Secretarial Department; Key Managerial Personnel of the material subsidiary of the Company; Secretaries/Executive Assistants reporting to the Directors and the Key Managerial Personnel; all Departmental Heads of the Company; Employees up to two levels below the Board of Directors of the Company; and such other persons as may be identified by the Compliance Officer
- b. Third Parties/Third Party intermediaries include, subcontractors, agency staff, agents, service providers, associated consultants, vendors, resellers, partners, alliance partners and similar third parties who represent the Company or its products and services or act on behalf of the Company

The Policy requires Personnel to recognize questionable transactions, behavior, or conduct, and to take steps to record, comply and follow procedures set in place to deal with such behavior or conduct.

While an exhaustive list cannot be provided, set below are indicative questionable transactions or situations that Personnel should be careful about - which, when appearing together or individually, should raise a 'red flag':

- i. A contract requires the use of a third-party consultant dealing on behalf of the Company with Government agencies;
- ii. Any potential partner who provides guarantees of success or claims to have the ability to obtain licenses or other government approval without providing a description of a legitimate manner by which those goals will be accomplished.
- iii. Transactions involving unusual payment patterns or financial arrangements. Accordingly, a request to pay unusually high commissions is a warning sign of possible corruption. A request to deposit commissions in multiple bank accounts, perhaps in offshore banks, also justifies additional scrutiny.
- iv. Transactions for which invoices are processed but deliverables are not as per contract or service level agreements.
- v. Transactions without approval of appropriate authority.
- vi. A potential counterparty who refuses to accept an ABAC or anti-money laundering clause in the proposed contract;
- vii. A proposed counterparty resists or fails to provide details of parentage or has undisclosed principals, associates or subcontractors with whom it splits fees;
- viii. A proposed counterparty refuses access to its books and records when requested under the proposed contract.

4. Effective Date

This Policy is effective from 1st October 2023.

5. Definitions

Term	Definition
Bribe	<p>A bribe is a financial advantage or other reward that is offered to, given to, or received by an individual or the Company (whether directly or indirectly) to induce or influence that individual or the Company to perform public or corporate functions on duties improperly.</p> <p>Bribery occurs when one person offers, pays, seeks or accepts a payment, gift, favor, or a financial or other advantage from another to influence a business outcome improperly, 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.</p>
Corruption	<p>Corruption shall include bribery, facilitation payments or other forms of improper business practices which is a misuse of power or office in the public or private sector for personal or commercial gain.</p>
Facilitation Payments	<p>Facilitation payments are typically made to lower-level Government Officials to perform or expedite routine non-discretionary tasks. Examples of these tasks include:</p> <ul style="list-style-type: none">i. Issuance of permits or licensesii. Processing of Governmental papers such as visas or passportsiii. Stamping or filing of paperworkiv. Inspection of goods or cargo <p>Facilitation payments which are sometimes called “grease payments” may be customary to local practice.</p> <p>However, these payments are frequently a violation of local law (regardless if these local laws are enforced in practice) and they are prohibited by the Company.</p>
Gift	<p>Gift shall mean cash, gift voucher and gift cards, payments, or other gifts (whether holding monetary value or otherwise) and shall include travel, entertainment, hospitality, meals and any other items of like nature.</p>
Government Entity	<p>A Government entity includes Central and State Governments, including their agencies and representatives including team members, officials (“Government Officials”) departments, entities, political parties, authorities, bodies, and international organisations such as United Nations, amongst others.</p>
Government Officials	<p>Indicative list of persons who may be considered as Government Officials:</p>

	<ul style="list-style-type: none"> i. Any person acting in an official capacity for a Government regardless of rank or position. ii. Elected or appointed Government Officials. iii. Officers and employees of Government agencies. iv. Employees of federal/union, state, regional and municipal agencies. v. Employees of entities that are partially or wholly owned by federal/union, state, regional and municipal agencies. vi. Outside directors of state-owned entities. vii. Part time legislators. viii. Royal family members. ix. Political candidates. x. Officers of the World Bank, the United Nations or the International Monetary Fund. xi. Professors and administrators of public universities and Government-operated hospitals. xii. Employees of a Government owned oil or gas company. xiii. Employees of a partially rationalized bank.
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6. Roles and Responsibilities

The Compliance Officer has the responsibility of implementing this Policy. For advice and support, contact the Compliance Officer via email at rajesh@ramkrishnaforgings.com

Following are a list of responsibilities by job function for the Company's employees:

Role	Responsibilities
Leaders/Managers/Head of Departments (HOD)	<ul style="list-style-type: none"> i. Increase awareness of the Policy, its expectations and references. ii. Ensure all vendor contracts have the ABAC clause for compliance by all vendors
Compliance Officer	<ul style="list-style-type: none"> i. Ensure inclusion of anti-bribery clauses in contract negotiations with third parties, vendors, new acquisitions, engagement with outside counsel, among other service providers. ii. Remediate reports of suspected violations on the Whistle-blower helpline.
Finance and Accounting team	<ul style="list-style-type: none"> i. Only authorize payments, expenses, asset transfers, or donations that have undergone the Company mandated expense approval process or approved under contract or comply with relevant policies. ii. Insist on accurate, transparent, and comprehensive accounting of all expenses,

		especially those involving Government, its officials and/or agencies, with no exception
Procurement	i.	Ensure inclusion of anti-bribery clauses in all purchasing agreements and procurement arrangements.
	ii.	Company to 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.

7. Areas of Concern - Where corruption risk is the highest

Corruption can take place in many types of activities. It is usually designed to obtain financial benefits or other personal gain. For example, bribes are intended to influence behavior - they could be in the form of money, a privilege, an object of value, an advantage, or merely a promise to influence a person in an official or public capacity. Usually, two people are involved and both would benefit. Examples of a bribe include offering or receiving cash in the form of a kickback, loan, fee or reward, or giving aid, donations, or voting designed to exert improper influence.

The areas of business where corruption, including bribery, can most often occur, include:

- i. Gifts, entertainment and hospitality;
- ii. Facilitation payments;
- iii. Procurement process;
- iv. Favors regarding recruitment opportunities.

8. Policy details

8.1 Gifts

The Company is committed to a reasonable and bona fide approach to business expenditures on gifts. Giving or accepting of gifts is subject to the following general rules:

- i. It is not done to obtain or retain business or gain an improper advantage in business
- ii. It is permitted under the local laws and in compliance with the Code of Conduct of the Company
- iii. Its public disclosure would not cause any disrepute to the Company
- iv. Offering or receiving of gifts when there is an ongoing active business negotiation is prohibited.
- v. Accepting money or cash equivalents such as gift cards, gift certificates or vouchers is prohibited for employees.

The following must be kept in mind before accepting or offering gifts:

A. Accepting gifts

Accepting gifts amounting to INR 10,000 per gift (reported to the reporting manager and Compliance Officer on official mail) is permitted provided the general

rules are complied (excluding gifts valued up to INR 10,000 sent during festivities, e.g.: Diwali, Ramadan, and Company organized events/ meetings). Any gift above this value shall be politely refused. Should it be difficult to refuse, the same should be submitted to the HR representative to be used for team rewards and be reported to the Compliance Officer.

B. Offering gifts

- i. Gift can be offered to Government Officials and officials of public international organisations, provided gifts are in the ordinary course of business and that such gifts do not exceed INR 50,000 per gift in value (excluding gifts valued up to INR 10,000 sent during festivities, e.g.: Diwali, Ramadan). The employee presenting gifts in excess of INR 50,000 should obtain a prior consent from the Managing Director.
- ii. Any other gifts offered above this value should have a prior approval of the Managing Director with the checklist attached in Annexure-1.

8.2 Entertainment, recreation and hospitality events

This includes but is not limited to sporting events, cultural performances, festivals and/or charity events where the primary purpose of the event is networking. This does not apply to business events or brand promotion events where the main agenda of the event is to present the products or services of the Company to prospective customers.

Employees are required to exercise caution and reach out to the Compliance Officer for any clarification.

8.3 Travel and Accommodation

The Company may pay or receive for travel and accommodation expenses for/from Government Officials, vendors, or third parties to attend meetings or events that promote its products or services. This is subject to the following general rules:

- i. Legitimately necessary to accomplish the Company's business
- ii. Consistent with the Domestic and Local Travel Policy.
- iii. Not inclusive of any stopovers at locations other than the locations required by the business purpose of the travel.

8.4 Meals

The Company's employees will neither provide a meal to, nor accept a meal from Government Officials or vendors or any other third party, unless the meal is:

- i. Held in an environment that is conducive to business.
- ii. Incidental to a legitimate discussion regarding business, such as business development and operational issues.

8.5 Company sponsored events

The Compliance Officer will be informed of all Company sponsored events/sporting events/entertainment events, including all geographic specific events for both private customers and Government customers.

Business courtesies (business gifts, meals, entertainment) could be offered to family members of private or Government customers to attend Company-sponsored events/sporting/entertainment of events, as long as benefit is not derived from offering such business courtesies

If the Company is offered anything of value (for example, tickets to sporting events, galas, etc.) because of the sponsorship and these are offered to Customers and Third Parties, these would be considered under Section 8.2 of this Policy.

8.6 Contribution to political parties

The Company may give political contribution to the extent allowed as per applicable laws. Any contributions made to political parties, candidates, or political organizations must be fully disclosed, transparent, and in compliance with all relevant local, national, and international laws and regulations.

The Company shall maintain records of all political contributions, including their purpose, recipient, and amount, in accordance with applicable legal requirements.

8.7 Facilitation Payments

Facilitation payments are prohibited under this Policy.

9. Employment Policy

Hiring for full-time employment, part-time employment, or internships must be based solely on the merit, qualifications, and capabilities of the candidate.

If the candidate referred by an employee is the relative of a Government Official/Customer, additional due diligence must be performed by the Human Resource team to identify the nature of the connection the Government Official/Customer has with the Company and whether there is any ongoing proposal for its products or services that the Government Official/Customer relates to. A declaration of the same shall be made in the referral system. This diligence will be in addition to the regular verification on the candidate's background and qualifications that is performed.

10. Engagement of Third Parties

The Company shall take reasonable steps to ensure that its business partners are made aware of and understand this Policy and adhere to it and, has adopted Anti-Bribery clauses to be included in both vendor and customer contracts through which it obligates them to prevent bribery and corruption.

In addition, the Company shall verify the integrity and reputation of its business partners through appropriate and reasonable due diligence checks.

Special attention should be paid to potential risk scenarios ('Red flags'). The below mentioned list is not intended to be exhaustive and is for illustrative purposes only. If one encounters any red flags, the same must be reported promptly to the Compliance Officer:

- i. Being aware that a third party engages in, or has been accused of engaging in, improper business practices.
- ii. Learning that a third party has a reputation for paying bribes or requiring that bribes are paid to them.
- iii. A third party insists on receiving a commission or fee before committing to sign up to a contract with the Company or carrying out a government/regulatory function or process for the Company.
- iv. 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.

- v. A third-party requests payment is made to a country or geographic location different from where the third party resides or conducts business.
- vi. A third party requests an unexpected additional fee or commission to “facilitate” a service.
- vii. A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations of provision of services.
- viii. A third party requests that a payment is made to “over-look” potential legal violations.
- ix. A third party requests that you provide employment or some other advantage to a friend or relative.
- x. An invoice from a third party that appears to be non-standard or customized.
- xi. A third party insists on the use of side letters or refuses to put terms agreed in writing.
- xii. It is observed that the Company has been invoiced for a commission or fee payment that appears large compared to the service stated to have been provided.
- xiii. 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
- xiv. A third party offers an unusually generous gift or lavish hospitality.

11. Policy for Mergers and Acquisitions

The Company will undertake appropriate and reasonable due diligence on the reputation and integrity of any business in which it makes investments.

The Company, when it is acquiring a potential target, will train new employees on the ABAC policy and framework, re-evaluate third parties for ABAC risks and where appropriate, conduct audits on new business units.

12. Stakeholders’ responsibilities

The Company will obtain an annual confirmation from Designated employees, listed down in clause 3.1 under scope, stating:

- i. The employees have not directly or indirectly on behalf of the Company:
 - a. Given, offered, promised, authorized to be given, solicited or accepted anything of value to, or from, any Government Official or any other party, whether affiliated with a Government or Government entity, or private entity, with the corrupt intent.
 - b. Used or authorized any third party to perform activities that are inconsistent either with this Policy or any other policy or procedure of the Company, the Code of Conduct, or applicable laws and regulations.
- ii. Potential violations, if any, have been appropriately recorded and disclosed and, that they are not aware of any unreported suspected violations.

Employees are responsible for:

- i. Reading, understanding, and following the Code of Conduct, this Policy, and all other applicable policies of the Company.

- ii. Reporting all suspected violations to the Compliance Officer.
- iii. Cooperating with any compliance inquiry, audit, investigation, or other activity related to this Policy and the Code of Conduct or a suspected violation including, but not limited to, reviews of, and interviews concerning, payments to third parties, expense vouchers and reports, and sample transactions.

13. Records

All books, records, and accounts for official receipt of payments would be maintained by the Finance and Accounts department of the Company. The Company shall strictly maintain and follow the internal control and procedures while making payments.

All expense claims relating to business courtesies (business gifts, meals, entertainment) and donations shall be submitted in accordance with the expense policy and specifically record the reason for the expenditure.

All accounts, invoices, documents, and records relating to dealings with third parties should be prepared and maintained with strict accuracy and completeness. No transactions may be kept 'off-book' to facilitate or conceal improper payments.

14. Reporting a concern

Personnel are encouraged to raise concerns about any issue or suspension of malpractice or any breach of this Policy or applicable ABAC laws at the earliest possible stage if he/she is unsure whether a particular act constitutes bribery or corruption or if he/she has any other queries, these should be raised with the Head of the Department and in cases of any conflict of interest, directly with the Company's Compliance Officer. These could be reported to the Compliance Officer by:

Writing an email to ethics@ramkrishna.com

The Company is committed to ensure that no one suffers any detrimental treatment because of refusing to take part in bribery or corruption, or because of reporting in good faith, their suspicion, that an actual or potential bribery or other corruption offence has taken place or may take place in the future. Employees who refuse to accept or offer a bribe, or those who raise concerns or report another person's wrongdoing are sometimes worried about possible repercussions. The Company encourages openness and shall support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken. Employees will not be under any risk in the form of retribution or retaliation including the risk of his/her job.

15. Training and communication

- i. The Company is committed to ensure that it has adequate procedures to combat ABAC risks and threats. To meet this objective, regular training will be made available to all business units in relation to this Policy, obligations of Personnel, Company procedures and measures.
- ii. Training will be conducted either on-line or in-person or a combination of both and will be administered by the Human Resource department. The training will be required to be completed within a specified timeframe. Personnel must not treat these training programs as a 'one-time' event and are expected to keep themselves up to date by undergoing repeat training programs at regular intervals or each time a training program is updated.

- iii. New joiners (as applicable) must receive training and confirm that they have understood this policy as part of their on-boarding process. Additional training for select employees like government facing, finance and accounts, senior management and employees having relevant exposure would be conducted. Periodic confirmation should be sought from the Personnel on compliance to this Policy.
- iv. The extent and nature of the training for each of the employee groups will be defined by the Compliance Officer in consultation with the human resources group.
- v. The Company may also extend training programs to third parties and temporary workers, if it is envisaged that the work profile allocated to them carries a significant risk as per this Policy.

16. Right to review

The Company reserves the right to review this Policy from time to time to modify, as required.

17. Monitoring and review

The Company shall assess the nature and extent of its exposure to potential external and internal risk of bribery and corruption periodically. The Company shall establish adequate procedures on an on-going basis to ensure that an appropriate system of internal controls is in place which includes continuous monitoring and review of the compliances.

The Company shall consider the views of employees, key business partners and its compliance consultants and incorporate them into the continuing improvement of this Policy.

Annexure -1

Sr. No.	Questions
1	Are you seeking approval to give or receive an Offering?
2	Please provide details of the Giver(s) and Recipient (s) including names and job roles, and whether the proposed Offering involves directly or indirectly a Government Official?
3	Please provide details of the Offering, e.g., meals, accommodation, theatre tickets, etc.
4	Please state the value in INR of the Offering (1) per person (2) in total.
5	Please state when the offering is intended to be given/received.
6	What is the purpose of the Offering? Please explain in detail the business rationale behind the Offering. If the Offering is an event of entertainment, will there be a presentation of Company's products or services?
7	If you are the recipient of an Offering, have you inquired whether the Offering is consistent with the Giver's policies/Code of Conduct? If yes, please provide a copy of the policy.
8	Please confirm that there is no expectation of something in exchange for the Offering (i.e., the Recipient (s) are not expected to steer business to the Giver in return for receiving the Offering(s)).
9	Has any of the intended Recipients received or given any Offerings in the past? If yes, please provide details of all such Offerings over the last twelve months.
10	Are there any other factors or information (particularly those set out in the Policy) where the Compliance Officer should be aware of in assessing whether approval should be given for the Offering?