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|  | <p><u>CONTROLLED DOCUMENT</u></p> <p>Human Resource Policy:</p> <p>Transparency & Ethics Policy</p> | <p>Policy Number: HR / 37 Policy Owner: Corporate HR Authorized by : HOC – Corp HR Access Level : 0 - 5</p> |
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POLICY STATEMENT AND PURPOSE

Macrotech Developers Limited and its subsidiaries (“**We, “us” or “the Company”**”) 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.

The policy seeks to:


1. To reinforce our belief system in doing things ethically and without taking undue advantage of any relationship.
2. To ensure a clean and transparent environment for conducting business with the Company partners.
3. To encourage ethical and competent partners to engage with the Company on an ever growing basis.
4. To ensure that no factors other than merit play a role in selection of partners OR rates offered thereto OR in verification of items received/consumed OR in the quality of the completed/delivered items vis-a-vis the desired quality when rates were finalized.
5. To ensure that partners who seek to use unethical means to procure business or enhance profits are severely punished, along with any Associates who help such unethical partners in furthering their goals.

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 all 3rd party vendors and / or service providers which have been engaged with the Company OR have quoted for supply of any goods or services to the Company (“**Partner**”). The term ‘partner’ also covers the Company customers – who shall be entitled to use all the privileges/rights under this policy but will not be required to become signatories to the same.

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A. ACCEPTING GIFTS OR HOSPITALITY

- Associates shall not accept any gift or favour or gratification, direct or indirect, from any Partner under any circumstances whatsoever. This includes any gifts at time of festivals / personal events etc.
- An Associate who receives a gift at an event of a ceremonial nature (e.g., a customer outing or a commemoration of a business transaction) or during festive season that might not be appropriate under these guidelines, but is impractical or offensive to refuse, may accept the gift and then promptly report it to his / her Departmental Head and / or the Ombudsman.
- Associates must never ask for any gift that benefit them personally, regardless of value.


B. GIVING GIFTS OR HOSPITALITY

- Normal business hospitality must always be approved at the appropriate level of Company management.
- Hospitality or entertainment with the intention of improperly influencing anyone's decision making or objectivity, or making the recipient feel unduly obligated in any way, should never be offered or received.
- It is acceptable to offer modest promotional materials or other non- monetary gifts like dry fruits, fruits or other food items or flowers subject to appropriate approvals especially during festive season.

C. OTHER TEP GUIDELINES

1. An Associate is not permitted to:
 - a. Work on behalf of any other individual / entity.
 - b. Receive professional compensation / remuneration / benefit from any other individual / entity in relation to business/work.
 - c. Have financial interest (direct or indirect) in any entity which is a partner (as defined hereinabove) of the Company.
 - d. Pass information related to the Company, which would generally not be available to an outsider, to any person who is engaged in any activity which could be used against the interests of the Company, its business prospects and/or its associates. This includes, but is not restricted to, sharing of data with any 3rd party which is not specifically authorized to receive such information.

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2. No Associate should engage or participate in any business activity which directly or indirectly involves his/her direct relatives (father, mother, siblings, children, spouse, spouse’s parents, spouse’s siblings) or any entity in which they have a financial stake. In case such an instance comes up in the normal course of business, an Associate is expected to:
 - a. Recuse him/herself from the said matter completely.
 - b. Inform the HOD-HR or Ombudsman of such conflict of interest, in case he would like to continue dealing with the matter.


To prevent such conflicts of interest it is advisable that Associates discourage their direct relatives from having any business association with the Company (unless such a direct relative is employed with the Company).

3. Associates shall not indulge in any form of fraud, theft or dishonesty (whether involving a 3rd party or not) which causes any loss (financial, reputational or otherwise) to the Company.
4. In the event that any Associate proposes to enter into a business transaction having value greater than ₹ 5 Lakhs in a personal capacity with a Partner (an entity whose status as a Partner, the Associate would be reasonably expected to be aware of), such transaction should be done only after informing the HOD-HR in writing. The Associate should ensure that any such procurement is done at arm’s-length basis, without deriving any advantage which would not be available to other customers of that partner if they were not to be working in the Company.

POLICY ADMINISTRATION

- a. The Company shall nominate a person of sufficient seniority, competence, independence, deep integrity and with ability to maintain complete confidentiality 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 a dedicated phone line (not controlled by Company HR) **96199 93643** or a confidential email (not controlled by Company IT) **lodhaombudsman@gmail.com**.
- c. The Company shall also constitute a three member Committee comprising Head Human Resources, C- level concerned and President from any department not related to the department in question from time to time (“**Ethics Committee**”).
- d. Any action required to be undertaken under this Policy shall be taken by the Ethics Committee on the recommendation of the Ombudsman in accordance with this Policy.
- e. Aggravated cases of breach of this Policy may be escalated to the Managing Director & CEO / Board of Directors of our Company (“**Board**”).

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RAISING CONCERNS & REDRESSAL PROCESS

1. The following incidents shall be reported to the Ombudsman or Managing Director by the aggrieved person /party, specifying all relevant details within 48 hours of the incident, in writing / email / sms or by phone:
 - a. Any attempt by any Partner to offer gratification to an Associate specifying all relevant details including the name of the vendor, person involved from the partner’s side and gift/favour/gratification offered.
 - b. Any Associate who learns that any other Associate OR Partner is violating / attempting to violate the Company’s TEP policy, specifying all relevant details of the partner / Company associate involved and context of the violation
 - c. If any partner or a Company customer) finds that he/she is being asked to provide gift or favour or gratification to an Associate, directly or indirectly, specifying all relevant details

Associates reporting such incidents may choose to keep their name anonymous if they so desire.

2. The Ombudsman will consider the merit of all issues / concerns / complaints received by him and shall present all cases where he finds reasonable merit in the issue to the Ethics Committee within 5 working days of receipt of the complaint / information.
3. Whether a complaint/issue received is actually a violation of the Transparency & Ethics Policy shall be decided upon by the Ethics Committee. . The findings of this Committee shall be binding on all concerned. The basis of decision followed by the Committee shall be reasonable proof of circumstantial evidence. The Committee shall give its final decision in the matter no later than 14 days from the date of the matter being brought to its attention by the Ombudsman/Audit.
4. If the Ombudsman finds merit in the issue and the Ethics Committee decides that an incident of violation of the TEP policy has taken place, a Good Citizen’s Award of 20% of the amount recovered by the Company from the said partner (subject to maximum of ₹ 5,00,000/-) shall be given to the concerned Associate (only those who had stated his/her name at the time of bringing the issue to the Ombudsman).
5. Internal Audit will carry out continuous and random checks of all locations where violations of this policy are most likely to occur. Any incidents wherein the Internal Audit team believes that the Transparency & Ethics Policy has been violated shall be immediately reported to the Committee and Managing Director. Audit will also have a dedicated group of 2-4 associates to investigate any such issues (received either by Audit or the Ombudsman or Managing Director).

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POLICY OUTREACH


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

DISCIPLINARY ACTIONS

In cases where the Ethics Committee finds that violation of the Transparency & Ethics Policy has occurred:

1. In relation to the concerned Associate(s) who has /ve attempted to take/has /vetaken benefit in violation of the Transparency & Ethics Policy:
 - a. He/she shall be immediately terminated from the services of the Company, without any benefit of notice period.
 - b. All unpaid benefits (financial or non-financial) will lapse immediately.
 - c. Such instances shall be duly communicated within the Company.
 - d. Twice the amount of all gratification received or proposed to be received or loss caused by the said associate on account of such violation, as estimated by the Committee, shall be recoverable from the said associate and the associate shall comply with the same forthwith.
 - e. The Company shall be at liberty to pursue legal action both Civil as well as Criminal, based on the decision of the Board of Directors.
2. In relation to the concerned Company Partner (s) who has / ve attempted to take/has / ve taken benefit in violation of Transparency & Ethics Policy:
 - a. All existing relations with the said partner (and all this subsidiaries / sister concerns / equivalent) shall be terminated forthwith.
 - b. The said partner (and all this subsidiaries / sister concerns / equivalent) shall be placed on a ‘banned’ list for a period of 3 years from the date of such decision, during which the said entity shall not be entertained in relation to any business of the Company. The Company may choose to extend this period indefinitely if the gravity of the violation so demands.

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- c. Thrice the amount of loss or damage caused or sought to be caused to the Company on account of such violation, as estimated by the Committee, shall be recoverable from the said partner and the partner shall comply with the same forthwith.
- d. The Company shall be at liberty to pursue legal action both Civil as well as Criminal, based on the advice of the Company’s legal counsel.

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 Code and reserves the right to amend the Code from time to time.

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