

# **PALEPU PHARMA DISTRIBUTORS PRIVATE LIMITED**

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

**PALEPU PHARMA DISTRIBUTORS PRIVATE LIMITED** (the Company) is committed to high ethical standards, doing open and fair business, follow best practices of corporate governance and support the business reputation at the appropriate level and has established and adopted this Anti-Corruption and Anti-Bribery Policy ("Policy"). The Company is committed to conducting its business ethically, as well as in conformity with all applicable laws and any of its amendments or re-enactments that may be made by the relevant authority from time to time.

### **Policy Statement and Purpose**

1. Our Company is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates, and to implementing and enforcing effective systems to counter bribery. This includes compliance with all laws, domestic and foreign, prohibiting improper payments, gifts or inducements of any kind to or from any person, including officials in the private or public sector, customers and suppliers. Our Company is equally committed to the prevention, deterrence and detection of bribery and other corrupt business practices.
2. Bribery and corruption can take many forms including cash or gifts to an individual or family members or associates, inflated commissions, fake consultancy agreements, unauthorized rebates, non-monetary favours and false political or charitable donations. These actions may be undertaken directly or through a third party. It is illegal and immoral to, directly or indirectly, offer or receive a bribe.
3. 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 including, wherever applicable, the Indian Prevention of Corruption Act, 1988 ("PCA"). Different statutes adopt different yardsticks to determine whether or not a particular act or omission is an offence thereunder; thus an act may be an offence under one statute, but not under another. Under the PCA, bribery of government officials and agents, whether directly or indirectly, is strictly prohibited.

### **Objectives and Applicability**

The aims and objectives of the Policy are to inter alia:

- encourage employees and directors to
  - act honourably and with integrity in all business dealings of the Company.
  - identify and address appropriately any potential conflicts of interest
  - recognise the duty of confidentiality to the Company's relationships and give it the highest importance
  - initiate steps to ensure that no financial or other inducements are offered or accepted by or on behalf of the Company.
  - encourage employees and Directors to be vigilant and to act diligently in good faith.
  - monitor and investigate instances of alleged corruption.
  - take action against any individual(s) involved in corruption.
  - minimize the risk of involvement of all employees and Directors in corruption related activities by forming a common understanding of opposition to corruption

and further providing advice, information and training to all our employees at all levels;

The Policy would be applicable to: a) All Directors and Employees of the Company, b) All Directors and Employees of the Company's subsidiaries, and c) Partners and Representatives or any other persons/individuals, who may be acting on behalf of the Company.

### **Restrictive/Prohibitive Practices**

Given below is an Illustrative List of acts /practices which are restricted / prohibited under the policy framework:

1. Dishonest misappropriation of property/money.
2. Criminal breach of trust.
3. Cheating.
4. Receiving or giving bribe.
5. Charity in order to obtain commercial advantages.
6. Participation/Contribution in/to Political Activities.
7. Payment of any costs for government officers and their relatives (or in their interests) in order to obtain commercial advantages,
8. Acceptance /giving of Gifts over and above the extent and the manner as allowed hereunder: -
  - Gifts and representative expenses including the hospitality business/entertainment expenses which the employee may provide on behalf of the Company to the individuals or organizations, or which the employees may receive in connection with their work in the Company from other persons and organizations, must meet the following criteria : (a) to be directly related to the legitimate activity of the Company or with common holidays such as New Year/Christmas/International Women's Day/Anniversaries/ Birthdays; (b) to be reasonable, proportionate and not be a luxury; (c) not to be a hidden fee for the service, act, omission, conniving, protection, provision of rights, making of certain decision on transaction, agreement, license, permit, etc. or attempt to influence the recipient to indulge in any illegal or unethical activity; (d) not to create a reputational risk for the Company, employees, and other persons, in case of disclosure of information on gifts or representative expenses; (e) not to be in conflict with the principles and requirements of the Policy, the Code of Conduct and other internal documents of the Company and the applicable laws.
  - Gifts on behalf of the Company, its employees and representatives to third parties shall be subject to the Gift Policy of the Company.
9. Any other unethical act or omission.

### **Confidentiality and Reporting**

The Company shall encourage openness and will provide support to any individuals who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken. We are committed in ensuring that no individuals are subject to any form of

detrimental treatment by virtue of their refusal to partake in corruption / bribery activities, any form of activities that may contravene against the law or because of concerns in reporting wrongdoings as prescribed in this Policy. Thus, all reports made to the Company pursuant to the Vigil Mechanism Policy and procedure are kept confidential and we will not divulge any details and identities of the individuals who made such reports.

**Monitoring and Review** All Employees and Third Parties are responsible for the success of this Policy and should ensure adherence to this Policy and use it to disclose any suspected wrongdoing. All internal control systems and procedures will be subject to periodic reviews and audits to ensure the continued effectiveness in preventing corrupt and bribery practices within the Company. We will also ensure continual improvement of the suitability, adequacy and effectiveness of this Policy from time to time. Any amendments to this Policy shall be approved by the Board.