



CarTrade Tech – Anti-Bribery and Anti-Corruption Policy

Scope of the Policy

CarTrade Tech Limited (hereafter referred to as “the Company”) is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

In India, under the provisions of the Prevention of Corruption Act, 1988 (PCA), acceptance or attempted acceptance of any form of illegal gratification (i.e., anything of value other than a legal entitlement) by a public servant is a punishable offence. The Companies Act, 2013 also has provisions to prevent corruption in corporate sector. In addition to the Prevention of Corruption Act, 1988, the Indian Penal Code, 1860 (“IPC”), the Prevention of Money Laundering, 2002, the Central Vigilance Commission Act, 2003, Lok Ayukta Acts of various states shall also apply to offences relating to or resulting in corruption and bribery and resolutions available.

In compliance with these regulations, we are committed to conduct our business dealings based on values of integrity and fairness. We have adopted a “Zero Tolerance” approach to bribery and corruption. Our Code of Conduct also articulates this intent in clear and express terms.

The purpose of this policy is to set out our responsibilities to comply with laws against bribery and corruption as well as provide guidance on how to recognize and deal with bribery and corruption issues.

Scope & Applicability

This policy applies to all its employees, suppliers, business partners, all other stakeholders or any other person who may be acting on behalf of the Company.

Policy framework

Employees and other representatives of the Company are strictly prohibited from engaging in any of the following acts:

- ❖ Offer, promise, give or authorize, directly or indirectly, any monetary reward, gift or hospitality in order to obtain or keep any improper business or other advantage for the Company;
- ❖ Offer, promise, give or authorize, directly or indirectly, any monetary reward, gift or hospitality to a government servant or representative in order to expedite or facilitate any official action or procedure in favor of the Company;
- ❖ Solicit, accept or receive any bribe or kick back from any person (whether in the public or private sector) with the expectation that it will accrue business advantage for them;
- ❖ Accept bribes in form of any portion of contract payment;
- ❖ Act as an intermediary for a third party in the solicitation, acceptance, payment or offer of a bribe or kick back;
- ❖ Induce another individual or associate to indulge in any of the acts prohibited in this policy;
- ❖ Threaten or retaliate against another associate who has refused to commit a bribery offence or who has raised concerns under this policy;
- ❖ Engage in any activity that might be in breach of this policy.

Gifts, hospitality and entertainment:

- ❖ Normal business hospitality must always be approved at the appropriate level of Company management.
- ❖ Employees (including their immediate family members) shall not accept or give a gift or favour of any nature from any supplier, business partner, customer, competitor or any business associate.
- ❖ No gifts including cash gifts, hospitality or entertainment may be offered or provided in exchange for any favour (or promise of any favour) for or benefit to the Company under any circumstances to any Government Official or any private person.
- ❖ Gifts including cash gifts, hospitality or entertainment may be offered or provided with the intention of improperly influencing anyone's decision-making or objectivity, or making the recipient feel unduly obligated in any way. Similarly, employees and other representatives of the company shall decline any such invitation or offer of hospitality or entertainment when it is perceived to be made with the intent to influence their decisions.
- ❖ This prohibition does not apply to routine two-way exchange of normal business courtesies, which might reasonably be expected to be exchanged in the ordinary course of business. These courtesies include business lunch/dinner and exchange of company diaries and calendars, pens with company logo and the like that are not lavish in any way.
- ❖ Employees and other representatives shall not accept, directly or indirectly, any gifts of value more than Rs. 10,000/- or its equivalent from anyone having business dealings with the Company. If a gift is inadvertently received it should be promptly returned with a polite note explaining that it is contrary to the Company policy. Any favor which is inadvertently received or extended is to be brought to the notice of the CFO immediately.

Charitable Donations:

- ❖ The Company may make charitable donations that are legal and ethical under local laws and practices and within the confines of this policy. It ensures that the charity or a support is for a legitimate cause, and that donations are not being used as a channel for Bribery.
- ❖ Any Stakeholder may also, in their personal capacity, make donations that are legal and ethical under local laws and practices. However, it must be ensured that charitable contributions are not used as a scheme to conceal Bribery.
- ❖ All our charitable contributions and social sponsorships shall be approved by the CSR committee and the same shall be publicly disclosed.

Political Contributions

- ❖ The Company does not make any direct or indirect contributions to any political party or politicians. Stakeholders must not use the Company's name or trademark for political activities of any kind or provide money or other forms of support to political parties on behalf of the Company.

Record Keeping and Internal Control

- ❖ The Company will keep records of all financial transactions along with appropriate internal controls to justify the business reason for making payments to, and receiving payments from, third parties.

- ❖ The Company shall maintain record of all hospitality or gifts accepted or offered along with their invoices or other supporting expenditure documentation. The employees and other representatives must disclose all hospitality or gifts accepted or offered, if any, which shall then be review by the reporting manager and HR department.
- ❖ The Company shall keep books, records and accounts in reasonable detail that accurately and fairly reflect all transactions and disposition of its assets.
- ❖ The Company shall maintain internal controls to prevent and detect potential violations of this policy or of applicable laws. Employees and other representatives must completely and accurately document the amount of all transactions, including payments made on behalf of or expenses incurred by the Company.
- ❖ Records and documents including, but not limited to, any accounts, invoices, memoranda, diligence files and contracting documents, and other records relating to dealings with third parties must be maintained and stored.

Risk assessment procedures

The Company has adopted systemic risk assessment procedures to assess, mitigate and monitor risks associated with corruption and bribery in line with our risk management procedure. This risk management procedure focuses on three elements, viz.

- ❖ Risk Assessment
- ❖ Risk Management
- ❖ Risk Monitoring

The Risk Management Committee has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's enterprise risk management framework; and supervising mitigation plans against all the risks that the organization faces. We take mitigating actions proactively to help achieve adherence to anti-corruption and anti-bribery policy and procedures.

The key risks and mitigating actions are also placed before the Audit Committee of the Company. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

Reporting concerns

- ❖ Employees and other representatives are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. Concerns should be reported immediately with concerned Reporting manager or Business Head or Head-Human Resources.
- ❖ The Company shall form a committee to investigate concerns raised promptly and thoroughly. The investigation committee will have experts with right knowledge to investigate the concern objectively
- ❖ The objective of the investigation would be to determine facts. The committee might review documents and/or interact with concerned individuals for investigation. The committee might also request written statements detailing out the facts from parties involved in investigation.

- ❖ The report prepared by investigation team and supporting documentation and proofs will be kept confidential and will only be shared by such persons who have a 'need to know' under the applicable law or company policies.
- ❖ The investigating committee has the discretion to recommend disciplinary action and penalties against defaulting individual and shall notify concerned authorities if the violation requires civil/criminal proceedings against the defaulting individual/organization.
- ❖ If necessary, corrective actions shall be prescribed by the committee.
- ❖ The Company seeks to encourage genuine reporting of non-compliance and shall support anyone who raises concerns in good faith under this policy.
- ❖ The Company shall ensure that there is not retribution against any employee or other representative as a result 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. Retribution includes dismissal, disciplinary action, threats or other unfavorable treatment connected with raising a concern.
- ❖ The Company may report the violation to law enforcement agencies and pursue legal action against the individual/organization involved in corrupt practices.

Training and communication

- ❖ New employees/workers shall be given a walkthrough of the policy during their induction.
- ❖ This policy shall be shared with all employees and wherever possible, all third parties will be sent a copy of this policy at the commencement of the business relationship.
- ❖ All employees are expected to complete a mandatory annual refresher training for the policy.

Internal controls

- ❖ The board of directors have overall responsibility for ensuring compliance with this policy.
- ❖ The HR Head has responsibility for implementing this policy. The HR Head will also be responsible to monitor the effectiveness of policy and recommend improvements to the policy as required.
- ❖ Internal control systems and procedures shall be subject to regular audits to ensure their efficacy.

Policy review

The policy may be reviewed annually if required.