

## Policy for Conflict of Interest

### **Purpose:**

As a Group Policy, Group discourages any act that is not in the best interests of Group, the Employee or members of their immediate families should not engage in any activity or have any outside interest which might conflict with Group's interest in any way, be harmful or publicly detrimental to Group, or deprive the Group of their loyalty in carrying out its policies and satisfactory performance of their duties.

### **Definitions**

- "Conflict of Interest" is defined as "when an individual's personal, economic interests conflict with the interests of his Group".
- A conflict of interest could also be defined as a situation that arises when a decision-making authority is seen to have a personal stake in the outcome of the decision itself.
- The use of one's position to obtain personal gain or advantage for oneself, members of one's family or friends may result in a "Conflict of Interest", if the Group's reputation and good name is jeopardized in any way, even though there may be no immediate or apparent financial loss to the Group.
- Employee: Employee will mean any individual employed by Ind-Aust Maritime Pvt. Ltd. (Group) or any of its Subsidiary Companies.
- Group wherever referred means Ind-Aust Maritime Pvt. Ltd. and its affiliated and / or subsidiaries.
- Policy wherever appearing means the Policy on Conflict of Interest.

### **Operation of Policy**

The Policy will be operated as following:

- Prior to any transaction with the Group, a new Vendor/Service Provider shall make a declaration in writing that the transaction does not contribute directly/indirectly to a Conflict of Interest as defined in this Policy. Format for Declaration is as per Annexure I of this Policy.
- Every Employee shall periodically make a declaration to the Group that he/she has not directly/indirectly contributed to any transaction which may result in Conflict of Interest as defined in the Policy. Format for Declaration is as per Annexure II of this Policy.
- It is incumbent on every Employee to voluntarily notify the Group Secretary of the Group of any transaction that he/she has reasons to believe contributes directly/indirectly to Conflict of Interest as defined in this Policy. All such references shall be treated as confidential and investigated or determined through the declaration process stated above.

The above Declarations shall be monitored by the Group Secretary of the Group including notifying and obtaining appropriate approvals of the Board of Directors.

### **An Employee will be deemed to be in Conflict with the Group's Interest in any of the following circumstances.**

- Holding financial interest directly or indirectly, including through close relatives in:
  - A Group to which the Employee gives business.

- In a competing Group.
- In a Group in which the Employee is involved in making a buy-out decision.
- Directing business to a supplier managed by a relative or close friend.
- Soliciting subcontractors and vendors for donation/ advertisements to a charity in which the Employee is involved.
- Using Group facilities during or after office hours for your spouse's/relatives business.
- Without prejudice to the provisions of any other contract (including an employment contract), taking any other job (either full time or part-time) requiring the Employee to spend time on it during the normal working hours or to use office equipment in meeting his/her other responsibilities.
- Making a promotion decision about a spouse or relative.
- Holding membership of Organizations and associations that undertake Social Service of various kinds in the event such memberships lead to conflicts in the form of Fund Raising from the Group for such Associations/Organizations, or the use of Group infrastructure and facilities to discharge responsibilities towards that Organisation and providing use of such facilities directly to the Association/Organizations and its members.
- Acquiring directly or through his/her relatives an interest in a firm/Group which to his/her knowledge, the Group is investigating or with which the Group is carrying on or contemplating negotiations for merger, consolidation, acquisition or joint venture.
- Furnishing false information regarding one's name, age, qualifications or previous service at the time of employment.

**As a policy no Employee of the Group should engage himself/herself in any of the above acts which conflicts with the interest of the Group. In addition to this, the following rules will apply to all the Employees of Group:**

- 1. Employment of near relatives of Employees in this Group as well as in any Group or Firm enjoying patronage of this Group**
  - As soon as any member of an Employee's family, or any of his relation, joins a post in the Group, the Employee shall inform in writing to the Personnel Department, through the Head of the Department.
  - No Employee shall use his position or influence, directly or indirectly, to secure employment for any member of his family in any Group or firm enjoying patronage of Group.
  - No Employee shall, except with the previous sanction of the Board of Directors of Group, permit any member of his family to accept employment with any Group or firm with which he has official dealings or with Group or firm having official dealings with Group.
  - In cases where acceptance of the employment cannot await the prior sanction of the Board of Directors, employment may be accepted provisionally subject to ultimate sanction of the Board of Directors to which the matter shall be reported forthwith.
  - No Employee shall, in the discharge of his official duties, deal in any matter with or give or sanction any contract to any Group or firm or any other person, if any member of his family is employed in that Group or if he or any member of his family is interested in such matter or contract and the Employee shall refer every matter or contract through the Departmental Head to the Board of Directors of Group and the matter or the contract shall thereafter be dealt according to the instructions of the Board of Directors.

## **2. Connection with Press**

- No Employee shall publish or cause to be published any article written by him on any matter whatsoever in any journal, newspaper or any other publication, without the previous written permission of the Board of Directors.
- No Employee shall communicate on behalf of the Group to the media without a prior permission from the department head on a specific brief.

### **3. Joining of Associations by Employees**

- No Employee shall join or continue to be a member of an Association the objects or activities of which are prejudicial to the interests of Group as also of the sovereignty and integrity of India, public order or morality.

### **4. Private Employment / Trading**

- No Employee shall take up any other employment, whether for gain or not, without prior written permission of the Board of Directors. Further, no Employee shall, except with the previous approval from the Board of Directors, engage himself, directly or indirectly, in any trade or business or profession or vocation.

### **5. Bribe/Gratification**

- No Employee shall engage in taking or giving of bribe or any illegal gratification.

### **6. Gifts and entertainment**

- Employees are not allowed to provide gifts or entertainment to customers or potential customers of the Group except with the prior approval of the department head and based on established limits.
- Employees are not allowed to receive personal gifts or any other kind of benefit from customers or suppliers without the approval of the Group.

### **7. Samples**

- The samples received in the Group or by any Employee are meant for testing and trials to make right buying decision. These samples under no circumstances are to be received in large numbers and should never be carried home for personal use. Employees are also prohibited from receiving a regular supply of samples from manufacturers.

### **8. Accepting Invitation/Honoraria For Lectures Outside**

- Accepting any invitation for any Lectures/Training programmes for outside entities or individuals is permissible provided the Employee obtains advance clearance from the Department Head. The Employee should not reveal proprietary Group information in his/her talk.

### **9. Confidentiality of Information/Documents**

- All Group Employees should consider and handle Group documents as Group property and these should not be released to outside people or organizations without express permission of the management.

### **10. Distribution of Private Pamphlets/Promotional Material**

- Distributing or exhibiting within the premises of the establishment and / or its precincts handbills, pamphlets, posters, effigies and such other things or causing to be displayed by means of signs or writing of other visible representation or any matter is not permissible without previous written sanction of the management.

#### **11. Unauthorized Transfer of Group Property**

- Unauthorized loan or transfer of a ticket, pass, identification badge, equipment or property of the Group to another person is not permissible.

#### **12. General:**

- Every Employee shall at all times:
  - Maintain absolute integrity;
  - Maintain devotion to duty; and
  - Do nothing that is in conflict of Interest with the Group's interest.
- Group Employees must use good judgment and maintain a high degree of honesty and integrity when dealing with suppliers, customers and vendors. All bids and quotations submitted to the Group must be evaluated on the basis of quality, service, reliability and price, along with the financial stability of the suppliers.
- The acts/examples for Conflict of Interest enumerated in this Policy are only illustrative and not exhaustive.

#### **Consequences of Non-Disclosure:**

Disciplinary action on the Employee by way of warning/injunction/suspension/dismissal or any other remedy available to the Group depending on the gravity of incident or size of the transaction.

#### **Exception:**

In rare cases with the prior approval of the Board of Directors the Group may transact with a firm/individual/Group:

- If the concerned Employee is not involved in the process of approval of the transaction.
- The transaction is demonstrably beneficial to the Group in relation to any other option/party.

For such approval the concerned Vice Presidents/Unit Heads will need to make a full proposal including Disclosure of Interest and obtain the approval of the Board of Directors by registering the proposal with the Group Secretary.

#### **Declarations:**

Enclosed Declarations in Annexure I and Annexure II are to be filled by the Employees respectively.

**DECLARATION**

\*1. I hereby declare that:

- a) No Director/Employee of .....is related\*\* to any Director/Employee of the Group;
- b) No Director/Employee or any relative of any of the Director/Employee of the Group is a Member/Director/Partner of .....
- c) No Director/Employee or any relative of any of the Director/Employee of ..... is a Member/Director of the Group.

\*2. I hereby declare the:

- a) Name of the Director(s)/Employee(s) of .....  
Related to the Director/Employee of the Group.
- b) Name of the Director(s)/Employee(s) or any relative of  
The Director(s)/Employee(s) of the Group  
Who is a Member/Director/Partner of .....
- c) Name of the Director(s)/Employee(s) or any relative of  
The Director(s)/Employee(s) of .....  
Who is a Member/Director/Partner of the Group.

I further declare that if after the signing of contract/entering into any contractual relationship with the Group, if any of the above clauses of Point No. 2 is applicable, then ..... undertakes to declare the same to the Group immediately.

Place:

For .....

Date:

Signature:  
Name:  
Designation:  
Name of the Group:

Note: If the Contractor/Consultant makes any false declaration or fails to declare any of the clauses applicable during the contractual period with the Group, then Group reserves the right to review the contract/arrangement with the Contractor/consultant and may terminate such

contract/arrangement at its sole discretion, without payment of any damages to the Contractor/Consultant.

\* Strike whichever is not applicable.

\*\*A Person shall be deemed to be related to the other if he/she/they are members of Hindu Undivided

Family, or he/she/they are Husband and Wife, or the one is related to the other in the following manner including the relationships by adoption/step relationship

Father	Mother
Son	Son's wife
Daughter	Daughter's husband
Father's father	Father's mother
Mother's father	Mother's mother
Son's son	Son's daughter
Son's son's wife	Son's daughter's husband
Daughter's son	Daughter's daughter
Daughter's son's wife	Daughter's daughter's husband
Brother	Sister
Brother's wife	Sister's husband

**DECLARATION FROM EMPLOYEES**

I, -----, an employee of the Group working in the capacity of ----- hereby undertake and declare that I have read and understood the Policy of the Group with respect to Conflict of Interest.

\*I hereby state that I am not engaged in any act which is in conflict with the interest of the Group or is harmful or publicly detrimental to the Group, or deprive the Group of my loyalty in carrying out its policies and satisfactory performance of my duties.

\* I hereby declare that the following may be construed as conflicting with the Group's interest:

- \*\*1. Name of the Party/Individual/Firm \_\_\_\_\_
- 2. Nature of Transaction: \_\_\_\_\_
- 3. Authorized By \_\_\_\_\_
- 4. Contract Amount (Rs. per annum) \_\_\_\_\_
- 5. Justification \_\_\_\_\_

Signature:

Name:

Designation:

Place:

Date:

Notes:

\* Delete whichever is not applicable.

\*\* Please enumerate all instances, acts and circumstances that may be construed as Conflict of interest, as per the policy of the Group on 'Conflict of Interest'