



ANTI-CORRUPTION AND ANTI-BRIBERY POLICY
OF
PARAS DEFENCE AND SPACE TECHNOLOGIES LIMITED

Document Control

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ANTI-CORRUPTION & ANTI-BRIBERY POLICY

“THOUGH THE BRIBE IS SMALL, YET THE FAULT IS GREAT”

-Edward Coke

PROVOGUE-

Paras Defence & Space Technologies Limited is one of the leading defense sector companies across the globe. Being one of the niche defense foray with global foothold, our business is dwelling upon the trust and confidence of our customer. The Company has strong personal conviction for setting up utmost standards for transparency and accountability in its state of affairs through responsible demeanor, equitably, and with integrity in all of its business transactions and relationships wherever it has functionaries. The company operates with the highest moral and ethical standards and are has laid its fundamental brick to work with zero tolerance for bribery and corruption and other unethical business practices.

DEFINITION-

BRIBE / BRIBERY PRACTICE-

bribe is anything of value, including money, gifts and entertainment, other business emoluments, hospitality, or personal gratification bestowed, offered, or received in an endeavour to influence a person's act to receive or retain business or to secure an unfair advantage.

CORRUPTION / CORRUPTIVE PRACTICES-

Corruption is unacceptable, unethical and dishonest behavior by those holding such positions of power, such as managers or Government functionaries. Corruption also inter alia includes giving or accepting bribes or improper favours and gifts, under-the-table payments or benefits, diverting funds, laundering money, and acting fraudulent to investors.

POLICY OBJECTIVE-

The objective of this policy is to promote a culture and building strong mindset of practicing in spirit the anti-corruption laws and regulations. Benchmarking and setting up the responsibilities centres across the company's business functions in observing and upholding its stand on bribery and corruption in all dealings, and furnish information and guidance on how to identify and handle the bribery & corruption issues and other unethical practice.

APPLICABILITY AND SWEEP OF OPERATION-

The policy is applicable to all persons working at all levels and grades for Paras Defence & Space Technologies Limited, its subsidiaries, joint ventures and affiliates anywhere across the globe, consisting of senior managers, officers, directors, employees, consultants, contractors, trainees, casual workers and agency staff, volunteers, interns, persons acting on behalf of the Company, agents, sponsors, or any other person associated with us, or any of our subsidiaries, joint ventures or their employees, irrespective of their location. This policy lays down the minimum standards to assist Associates to set up adequate procedures to ensure the prevention, deterrence and detection of bribery and other corrupt business practices in the operations and business activities, both directly or indirectly through a third party, to or from any individual, or associates, officials in the private or public sector, government officials, agents, customers and suppliers. When applicable local laws are stringent than this policy, such stringent rules must be observed with Bribery & Corruption. Associate companies under flagship of Paras are also dutybound to ensure that they have read and understood this policy and must at all times obey with the terms and conditions of this Policy and the following related policies being applicable to them.

BRIBE AND CORRUPTION - A COMPLETE PROHIBITION-

It is a complete taboo for Associates to give, commit to give, or offer payment, gift or hospitality to secure or award an indecent business merits. Give, promise to provide, or offer a price, estate or hospitality to a government functionaries, agent, or representative to facilitate, expedite, or reward any action or procedure. Accept payment from a third party knowing or being suspicious on it is offered with the expectation that it will gain business advantage for them. Forcing another person or associate to have finger in pie in any acts proscribed under this policy. Threaten or retaliate against another associate who has declined to involve in a bribery felony or raised issues under this policy. Give or accept any gift where such gift is or could reasonably be construed to be a breach of this policy and applicable law, or being involved in any activity that might lead to a violation of this policy. This Policy does not forbid typical and proper hospitality given or received, if it is reasonable, made in good faith in compliance with the Company's Code of Conduct & Ethics for Employees and various advisories issued from time to time.

COMPLAINT ON BRIBE AND CORRUPTION-

Employees and Associates are encouraged to raise concerns about any actual or possible bribery and corruption cases at the earliest possible phase to nip in the bud. Where anyone feels the Policy is not being adhere to or is being asked to act, not in accordance with this Policy, these concerns must be raised promptly with the immediate superior. If the direct supervisor is not available, then the employee's concerns must be brought directly to the notice of the Human Resource Department. Any such concern should be reported by undergoing the procedure laid down in the Whistle Blower Policy / vigil mechanism of the Company, which is also made available on the Company's website and being known to all employees.

RECORD MAINTENANCE AND EVIDENCE-

The Company will keep financial records and have adequate and proper internal controls, which will evidence the business reason for making payments from third parties. Group and Associate company's employees must promulgate and keep a written record of all hospitality or gifts or expenses done to third parties submitted by the Company's applicable policy and the reason for such outlay. Group companies and Associates shall further to make sure that all expense claims shall be in line with the terms and conditions. All accounts, invoices, other documents and records pertaining to dealings with third parties, such as customers, suppliers and business contacts, should be prepared and maintained with strict accuracy and in wholesome manner.

COMMUNICATION AND CIRCULATION-

Circulation of this policy for new joinees shall be carried out at the time of their induction. Further, this policy will also be disseminated amongst all existing group and associates. Should you have any queries about this policy, you may contact your superior. As part of the prevention, identification, and detection of Anti-corruption issues, training shall be conducted at all the levels of employees of the Company. The employees would be required to complete training to ensure adherence of their conduct in line with this policy. The Company's zero-tolerance approach to bribery and corruption should be communicated to all agents, suppliers, contractors and business partners at the outset of the Company's business relationship with them. Wherever possible, all third parties shall be provided with a copy of this policy at the genesis point of the business with them.

THE CONTROLLING FUNCTION-

The head of the Human Resources Department of the area of business has onus for implementing this policy. Management at all levels are liable for ensuring that those reporting to them are made aware of and understand the procedure and, if needed and deem fit, are given adequate and regular training on it. The head of the Human Resources Department of the region will watch the effectiveness and review the implementation of policy, on day to day basis considering its perpetuity, wholesomeness and utilization. Internal Control Systems and procedures would undergo regular audits to make sure that they effectively

take on bribery and corruption issues. All group companies and associates are responsible for the success of this policy and should ensure they use it to flaunt any dubious wrongdoing.

ONUS-

The Audit Committee of the Board has overall answerability for making sure that this policy meets with legal and ethical obligations and all those under our control. The Compliance Officer shall eventually report to the Audit Committee any concerns or complaints received under the policy and action taken to that effect.

CHANGE IN POLICY

It's the privilege of the Company to repeal, annul or change this Policy wholly or in part, at any time, as and when there would be any statutory modification(s) / amendment(s) / revision(s) to the applicable provisions thereto.