

## **Policy for Receipt of Gifts and Hospitality**

### **Introduction**

The Tata core values find expression as behavioural guidelines in the Tata Code of Conduct. Our collective adherence to these guidelines represents our promise to ourselves and to the many stakeholders of brand Tata. Each Tata employee is responsible to ensure that his or her behaviour and actions, both individual and collective, stay aligned to these values.

Business gifts and hospitality are occasionally used in the course of business activity as a means to build goodwill and strengthen working relationships among business associates. However, gifts or hospitality (including entertainment or travel) may create conflict of interest or illicit payment.

TSDPL has adopted this policy to help its employees take the right decisions when they are offered gifts or hospitality while conducting business or official transactions on behalf of TSDPL.

### **Definitions**

- The term “gifts” would include any gratuitous non-monetary benefit which can be used or consumed
- The term “hospitality” would include any form of travel, hotel, food, drinks, entertainment or any events (participating or watching) such as sporting events, theatrical events, awards or ceremonies.
- The term “business associate” would include suppliers, customers, vendors, dealers, distributors, franchisees, lessors, lessees or such other persons with whom TSDPL has any business or transactional dealings.

### **Policy**

#### **1. Accepting Gifts**

Employees must be very careful when it comes to accepting gifts. As a general rule, employees should discourage business associates from giving gifts. However, they may accept a gift from a business associate provided such a gift:

- a) Is exchanged during festivals or other ceremonial occasions, commensurate with the culture and occasion and is limited to flowers, sweets or any other eatables.
- b) Is exchanged during New Year; articles of office use like stationeries, desk accessories with logo of the donor Company.
- c) Received at an event of a ceremonial nature (e.g., a customer outing or in honour of a business transaction) and is impractical or offensive to refuse.

d) In all the above cases, value of the gift should never exceed INR 3000.

Any gift other than mentioned above needs to be returned back to the donor with a timely and appropriate note explaining to the gift donor the rationale for returning the gift.

All gifts with the value above INR 3000 are to be reported to the recipient's Departmental Head and Ethics Counsellor. Gifts should be deposited with the Ethics Counsellor; records of such gifts should be maintained in the gift register.

The following gifts are never appropriate and should never be accepted:

- Monetary benefit of any kind under any circumstances;
- Gifts of cash or gold or other precious metals, gems or stones;
- Gifts being given outside the workplace or venue of the business event;
- Gifts given in the form of service or other non-cash benefit (e.g., a promise of employment).

## **2. Accepting hospitality**

Business hospitality (e.g., meals, tickets to a theatre or a sporting event) may be provided to strengthen working relationships among business associates. However, hospitality applies to situations in which the host is present. Tickets to sporting or cultural events provided to TSDPL employees and not attended by the host are essentially "gifts" and not "hospitality" and hence should be dealt in accordance with the gift guidelines specified above.

The following is never appropriate and such hospitality should never be accepted:

- Hospitality that can be viewed as creating any affiliation of TSDPL or Tata brand with any particular political party;
- Interaction in locations / establishments generally not recognised as appropriate for the conduct of business.
- Interactions in adult entertainment clubs or at adult / inappropriate events are expressly prohibited

Employees should consult the Departmental Head or Ethics Counsellor when in doubt as to whether an event, location or expenditure is appropriate or not.

## **3. Travel (Other than normal company business travel)**

It is acknowledged that hosting business associates at our premises to promote our business interests and reciprocal visits to our business associates are an important aspect of our business relationships. However, in addition to the guidance on appropriateness of hospitality received, one should also consider the guidelines below in the case of promotional trips:

- Daily allowances, cash advances or cash payments of any nature must not be accepted from the business associate for such trips;

- No airline travel, whether domestic or international, is to be accepted from a business associate;
- No overnight accommodation is to be accepted from a business associate;
- In circumstances where participation in a vendor-supported event is deemed necessary for a business and bulk booking arrangements are made by the vendor for travel and/or accommodation, the pro-rata costs should either be reimbursed to the vendor or preferably paid directly to the provider of travel and/or accommodation.

Ideally, family members or persons not directly related to the relevant business project should not join these trips/events. However, if they do attend, their expenses should be fully paid for by the concerned employee and not paid or reimbursed by TSDPL, or the business associate. Moreover, such instances of travel should be informed to the Departmental Head and Ethics Counsellor prior to travel to ensure transparency through disclosure.

Any exception to the above should have a specific approval of respective Sr. GMs/GMs and should be declared in the Gift Register.

#### **Deployment Effectiveness**

Implementation of this policy would be measured through compliance and disclosure in the Gift Register.

All gifts with the value above INR 3000, donations and entertainment received by a TSDPL employee should be disclosed in the Gift Register along with the context / business purpose of the gift, reason for accepting, whether the gift been deposited with Ethics Counsellor.

Employees should consult the Ethics Counsellor when in doubt as to whether a gift, hospitality or travel is appropriate or not.

Employees must never ask for any gift that benefits them personally, regardless of value. This policy applies to all employees of TSDPL. If stricter norms are prescribed under any applicable law with respect to gifts and hospitality, then, employees shall comply with such stricter norms.



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