

Infiniti Retail Limited
Gifts, Entertainment & Hospitality Policy

Version	Approved By	Date of Approval	Effective
2	Board of Directors	23 rd June 2015	1 st July 2015

I. Introduction

There will be occasions when our business partners may wish to offer Gifts or extend Hospitality to our staff. The Gifts, Entertainment and Hospitality Policy is being framed to provide guidelines to individual employees to conform with The Tata Code of Conduct.

II. Applicable

This Policy shall be applicable to all employees, contract staff, management trainees of **Infiniti Retail Limited** (**The Company**) & its subsidiary(ies) effective **1st July 2015**. Legal department to ensure that gift clause should be part of agreement with contractor. HR department to ensure it is included in joining process for management trainee.

III. Purpose

This policy sets out guidelines of business conduct for all the employees of the Company with its business partners/vendors which includes manufacturers, suppliers, agents, customers, consultants, banks, financial institutions, outsourced partners, service providers and anybody who deals with the Company in any manner and who has any kind of business relationship with the Company.

Compliance with all components of the policy is mandatory and subject to check through internal audit process.

IV. Scope

The gifts and entertainment policy governs the giving and/or receiving of any item of value (hereafter referred to as “gifts”), including goods, services, travel, honorarium, entertainment, hospitality, food, beverages, any promotional items to or from business partners directly or indirectly received at the Company’s office, recipient’s residential premises or any other place.

V. Gifts policy

- a. Gifts are normally given to strengthen business relationships between partners. However, such gifts should be of nominal value (as clarified in below clauses) and not given with the intent of influencing the recipient’s business decision-making.

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- b. Following kinds of gifts are strictly prohibited:
- a) Giving or receiving gifts that is in violation of law, regulations and agreements.
 - b) Giving or receiving money or cash equivalent as a business gift of nominal value mentioned in clause V-d below.
- c. Gifts of value not exceeding Rs. 2500/- may be accepted or given provided they don't influence the business judgment and are not frequent.
- d. Gifts of value above Rs. 2500/- but not exceeding a value of Rs. 5000/- may be accepted or given provided they are approved by immediate superior and should immediately be declared by filling up prescribed Gifts Declaration Form and submitting the same with the Gifts Monitoring Officer. Gift Monitoring Officer needs to be appointed by HR department and such Gift Monitoring Officer shall be responsible to maintain adequate record in such format as referred in **Annexure 1** attached herewith. He/she will be custodian of all gifts received.
- e. When an employee receives a Gift of value exceeding Rs. 5000/- , he/she must return the gift to the donor with a 'Thank You Note' and quoting the relevant provision of this policy. In case the gift cannot be returned, then the same has to be handed over to the Gift Monitoring Officer. The gifts so received would be the property of the Company and no individual employee will have any right of ownership to such gifts. All gifts received by the Company / its employees and submitted to Gifts Monitoring Officer, should be auctioned by Gift Monitoring Officer as per the Company's policy. The draft of any letter to be sent out as a response to any gift received by the Company /any employee may be obtained from the Ethics Committee Coordinator. Auction details needs to be maintained in the aforesaid 'Gift Register'.
- f. Gifts of edible nature like cakes, chocolates etc. may be accepted provided they do not exceed approximate value of Rs. 1000/-.
- g. This policy requires that all employees demonstrate the Company's commitment to treating all people and organizations, with whom, we come into contact or conduct business, impartially. Employees should practice and demonstrate equal treatment, unbiased professionalism, and non-discriminatory actions in relation to all vendors, suppliers, customers, employees, potential employees, potential vendors or suppliers, and any other individual or organization.

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- h. However, items received by the Company or any of its employees as samples from the vendors/potential vendors are not gifts. They must be declared and used as per the Sample Policy as under:
- a) From time to time the Company's vendors may offer employees samples of stock for trial.
 - b) This stock is to be used for this purpose only and is to be recorded as per the Sample Stock registering procedure.
 - c) Employees may conduct trials on the stock for a maximum of 4 weeks.
 - d) The stock is then to be returned to the vendor.
 - e) If the sample stock cannot be returned, for any reason, then it needs to be auctioned as per the process set by the management of the Company from time to time and the auction money collected should be contributed for the purpose of any charity.
- i. Brand competition prizes (if offered) linked to sales/purchase are the property of the Company and will be distributed as per the discretion of the Company.
- j. Gifts received, over and above the amount mentioned in clause V-d, on personal occasions of employee's viz. marriage, birthday, etc. need to be disclosed to Gift Monitoring Officer and respective Head of Department/Supervisor.
- k. Any customized/printed stationary, gift, etc., specifically customized for an employee/contract staff/management trainee, may be retained by the concerned person; however the same needs to be disclosed to the Gift Monitoring Officer.

VI. Hospitality and Entertainment policy

- a. Working meals with business partners in the normal course of business are acceptable provided they are not costing more than Rs. 2500/- per head up to a maximum billing of Rs. 30,000/- at CXO level. For all other employees, such business meals are subject to prior approval of CEO/CFO. This applies to all employees hosting or accepting such meals.
- b. Attendance at formal events promoted by business partners is acceptable for which a formal invitation is issued to and accepted on

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behalf of the Company and cost of travel and related expenses are incurred by the Company. The guidelines for participation in such events must be approved as per policy.

- c. No employee should travel on vendor sponsored trips. No employee should accept any entertainment, transportation, accommodation or other travel-related amenities from any vendor /outside source
- d. 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 accommodation and meals, the pro-rata costs should either be reimbursed to the vendor or preferably paid directly to the provider of accommodation and meals. **However, for events organized by vendors such as Annual Strategy & Portfolio Preview, Product launches, etc. by such vendors in which all major retailers are invited, the Company could accept the invite with a condition in writing that the Company would bear the cost of travel, boarding and lodging. In case the vendors do not agree for the Company to bear the cost or do not respond to the Company's communication, the executives are permitted to attend such events subject to the Company bearing the actual air travel cost.*
- e. As a measure of good corporate governance, all vendor supported events attended by the Company's executives should be disclosed in an agreed format to the Audit Committee, along with the location of the events, the size of business transacted with the vendor and the value of the expenses incurred for participation. The participation of the Managing Director/Chief Executive Officer in such events must be specifically highlighted to the Audit Committee.
- f. Spouse / Family or friends can travel with the employee during any business trip provided that all expenses on such trip on account of the spouse/family/friend is borne by the employee and not by the company/vendor. This includes room, travel and all other incidental expenses.
- g. Any travel which involves gambling, entertainment which is sexually explicit or illegal or would otherwise violate our values or code of conduct is strictly prohibited.

[* Amendment to Clause VI (d) approved by the Board on November 30, 2016]

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- h. Interaction with vendors must take place in locations / establishments generally recognized as appropriate for the conduct of business. Interactions in adult entertainment clubs or at adult / inappropriate events are expressly prohibited.
- i. Sightseeing or other recreational activities during a trip are not allowed unless they are minimal and incidental in nature.
- j. Employees must maintain decorum and attend business sessions organized by the vendors during any such trip.
- k. General Sponsored Travel :- In case of Invitations to events / seminars from Industry bodies, government bodies and educational institutions which are funded by the sponsor, they may be accepted under the following conditions –
 - i. The event / seminar is relevant and directly associated with the Company;
 - ii. The Sponsor is not a vendor or supplier of the Company;
 - iii. There is no pending negotiation or commercial discussion with the sponsor
- l. Gift Monitoring Officer should track vendor sponsored foreign travel done and follow-up for credit with Vendor by respective Buyer. For cases where credit details not received from the Vendor should be approved by the CEO.
- m. CEO /Managing Director to be the final approving authority for travel request made by HODs/Member of Executive Committee of the Management (CXOs). All other employees to follow the Process for Travel Approval.
- n. For CEO, prior written approval must be obtained from the Chairman for international travel.

VII. Internal Audit

- a. HR would nominate one officer as Gifts Monitoring Officer and prescribe its responsibilities to monitor gifts received by the Company and to keep proper records of the same. The said Gift Monitoring Officer shall analyze and present a Gift Report to the CXO & Ethics Committee on a quarterly basis.

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- b. The gifts and travel must also fall within the scope of internal audit. Regular audit shall be conducted and findings of audit should be periodically presented to the Audit Committee.

VIII. Declaration

An annual Self declaration would be taken by HR department from all employees, contract staff and management trainees stating that they have complied with the Policy. This would help in creating awareness amongst concerned people.

Annexure '1'

Gift register (Format to be maintained by Gift Monitoring Officer)

Received Date	Name of person receiving Gift	Description of Gift	Amount (if ascertainable)	Reason for Gift	Receiving Location (office/home/vendor place/other)	Gifting person/entity	Gift monitoring officer Signature	Auction date	Auction amount
