



Anti-Bribery and Anti-Corruption (ABAC) Policy

Document Control Section

Document Name	:	Anti-Bribery and Anti-Corruption Policy
Abstract	:	The Anti-Bribery and Anti-Corruption emphasizes Mufin's zero tolerance approach to bribery and corruption. It guides us to act professionally, fairly and with utmost integrity.
Location	:	New Delhi, India

Policy: Anti-Bribery and Anti-Corruption (ABAC) Policy	Policy version: V.1
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1. PURPOSE

Mufin committed to operating businesses conforming to the highest moral and ethical standards. We do not tolerate bribery or corruption in any form. This commitment underpins everything we do.

This policy emphasizes Mufin's zero tolerance approach to bribery and corruption. It establishes the principles with respect to applicable Anti-Bribery and Anti-Corruption. The policy provides information and guidance on how to recognise and deal with bribery and corruption issues. It guides us to act professionally, fairly and with utmost integrity in all our business dealings and relationships, wherever we operate.

2. SCOPE AND APPLICABILITY

This Policy is applicable to our Company and all activities undertaken for or by the Company directly or indirectly. Our Company shall recommend adoption of this Policy to the Boards of its subsidiaries, associates and joint ventures.

This Policy is applicable to all individuals working at all levels and grades, including directors, senior managers, officers, other employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, or any other person associated with our Company and such other persons, including those acting on behalf of our Company, as designated by the Compliance Officer from time to time (all of the aforesaid being collectively referred to as "**Designated Person(s)**").

3. DEFINITIONS

a. *Bribery*

Bribery includes the offer, promise, giving, demand or acceptance of an undue advantage as an inducement for an action which is illegal, unethical or a breach of trust. Bribes often involve payments (or promises of payments) but may also include anything of value - providing inappropriate gifts, hospitality and entertainment, inside information, or sexual or other favours; offering employment to a relative; underwriting travel expenses; abuse of function; or other significant favours. Bribery includes advantages provided directly, as well as indirectly through an intermediary. Bribery also includes any attempt to do any of the foregoing.

b. *Corruption*

Corruption includes wrongdoing on the part of an authority, or those in power, through means that are illegitimate, immoral, or incompatible with ethical standards. It is usually designed to obtain financial benefits or other personal gain. For example, bribes offered or promised in the form of money, a privilege, an object of value, an advantage to exert improper influence on decisions of an individual in his official capacity.

c. *Gift, Hospitality and Entertainment*

A gift is anything of value and would encompass any gratuitous monetary or non-monetary benefit. It includes tangible items such as cash, precious metals and stones, jewellery, art, and any of their equivalents, and intangible items such as discounts, services, loans, favours, special privileges, advantages, benefits and rights that are not available to the general public. Hospitality generally includes refreshments, meals, travel and accommodation. Entertainment generally includes vacation, trips, use of recreational facilities, ticket or pass for plays/concerts/sports events. Hospitality and





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entertainment may also qualify as a gift unless they fall within reasonable bounds of value and occurrence.

d. Public Official / Foreign Public Official

A “**Public Official**” would include the following:

i. any person holding a legislative, executive or administrative office of the government, or acting in the official capacity for or on behalf of a legislative, executive, or administrative office of the government, whether appointed or elected, whether permanent or temporary, whether paid or unpaid;

ii. any person in the service or pay of the government or of a corporation established by or under a central, provincial or state statute, or an authority or a body owned or controlled or aided by the government or a government company or is remunerated by the government by fees or commission for the performance of any public duty;

iii. any judge, including any person empowered by law to discharge, whether by himself/herself or as a member of any body of persons, any adjudicatory functions;

iv. any person authorised by a court of justice to perform any duty, in connection with the administration of justice, including a liquidator, receiver or commissioner;

v. any person who performs a public duty, including for a public agency or public enterprise, or provides a public service, as defined in the domestic law of the country and as applied in the pertinent area of law;

vi. any elected or appointed officers or employees of public international or multilateral organizations, such as the United Nations; and

vii. any other person who is considered as public official according to applicable laws and regulations.

A “**Foreign Public Official**” broadly includes the “Public Officials” mentioned above who are not under the domestic jurisdiction (country of operation of the Company). The definition of “Foreign Public Official” is subject to the definition prevalent in local regulation applicable.

e. Facilitation payment or kickbacks

“Facilitation Payments” are unofficial payments made to Public Officials in order to secure or expedite the performance/ non-performance of a routine or necessary action. They are sometimes referred to as ‘speed’ money or ‘grease’ payments or ‘good-will money’. The payer of the facilitation payment usually already has a legal or other entitlement to the relevant action. “Kickbacks” are typically payments made in return for a business favour or advantage.

f. Third party

The term “third party” includes any individual or organization, who/which comes into contact with the Company or transacts with the Company, and also includes actual and potential clients, vendors, consultants, retainers, agents, advisors, distributors, business associates, partners (including academic institutions), contractors, suppliers or service providers who work for and on behalf of the Company.

g. Relevant Regulation

We uphold all laws, relevant to countering bribery and corruption, as applicable to us in the conduct of our business across all the jurisdictions in which we operate including India. Further, different statutes adopt different yardsticks to determine whether a particular act or omission is an offence thereunder. The key aspects of Prevention of Corruption Act, 1988, as applicable to the Company, is provided as “Relevant Regulation” under Annexure A.

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4. RESPONSIBILITIES

a. Audit Committee / Board of Directors

- i. The Audit Committee/ Board of Directors of the Company (“**Board**”) shall have oversight of governance and compliance with this Policy. Aggravated cases of breach of this Policy shall be escalated immediately to the Audit Committee or Board.
- ii. The Audit Committee will monitor the effectiveness and review the implementation of this Policy, considering its suitability, adequacy and effectiveness.

b. Compliance Officer

- i. The Company shall, from time to time, designate an employee of adequate seniority, competence and independence as the Compliance Officer to ensure compliance with the provisions of this Policy and the same shall be notified to the Designated Person(s).
- ii. Compliance Officer should ensure that regular and relevant on-going training and awareness sessions are made available to Designated Person(s) in relation to this Policy.
- iii. All reports, complaints, doubts or concerns in relation to this Policy shall be raised to the Compliance Officer. Any query, concerns or complaint received by any Designated Person(s) including regarding bribery or corruption issue should be promptly reported to the Compliance Officer.
- iv. Every query or concern raised in relation to any suspected violation of this Policy shall be reviewed/investigated by the Compliance Officer. Any action required to be undertaken shall be taken by the Compliance Officer in accordance with this Policy.
- v. The Compliance Officer shall have a functional reporting to the Managing Director/CEO of the Company in the event any non-compliance or any Red Flag indicators (*Refer Annexure II*) noted so that necessary action can be taken by the Company promptly to mitigate the risks and other consequences arising therefrom.
- vi. The following designated employee shall be Compliance Officers for the purpose of this Policy:

- a. Company Secretary of the Company

5. COMMUNICATION AND TRAINING

- a. Regular training and awareness sessions shall be made available in relation to this Policy. The details of Company’s whistleblowing procedures will be disseminated throughout the Company on a regular basis.
- b. Training will be conducted either on-line or in-person or a combination of both and will be administered by the Compliance Officer. The training will be required to be conducted periodically. Training programs must not treat as a ‘one- time’ event and it shall be conducted at regular intervals. The training provided by in-house trainer or a professional from out side of the organisation.
- c. Our Company may also extend training programs to third parties, if it is envisaged that the work profile allocated to them carries a significant risk as per this Policy.





6. REPORTING AND INVESTIGATION:

i. An individual can report at two levels, as indicated below:

- Compliance Officer at primary level.
- Managing Director/CEO at secondary level

ii. Investigation:

- Managing Director/CEO will form a committee to investigate.

Non-Executive Directors will have the discretion to form a committee to investigate, in such a case where any Compliance Officer/Managing Director/Chief Executive Officer or any executive or members of committee involved in the act.

7. REVIEW OF THIS POLICY

In the interests of maintaining best practice, the contents of this Policy will be reviewed by the Audit Committee every year.

8. AMENDMENT OF ABAC POLICY

Our Company reserves the right to vary and/or amend the terms of this Policy from time to time.





ANNEXURE A - RELEVANT REGULATION

The Prevention of Corruption Act, 1988 (“PCA”) and other Anti-Bribery and Corruption laws and regulations around the world make it clear that bribery and corruption is prohibited and illegal. Violation of these regulations lead to fines, penalties, reputational damage, and in some cases criminal liability. The key provisions of aforesaid act have been summarised below. For more information on these regulation and prevalent regulation(s) in the geography of operations, it is advisable to refer to the relevant government websites jurisdiction wise or seek guidance & opinion from legal professionals.

I. Prevention of Corruption Act, 1988 , India

The Prevention of Corruption Act, 1988 was enacted to prevent corruption in government departments and to prosecute and punish public servants involved in corrupt practices. An amendment was enacted (Amendment Act) and brought into force on 26 July 2018.

The Amendment Act provides that any public servant who obtains or accepts or attempts to obtain from any person, any ‘undue advantage’, either for himself or for any other person, with the intent to perform or cause performance of public duty improperly or dishonestly or to forbear or cause forbearance to perform such duty, shall be punishable with imprisonment and liable to fine as per the act.

The Amendment Act prescribes the offence relating to bribing a public servant by a commercial organisation, wherein a commercial organisation has been defined to include not just a body or partnership incorporated and carrying on business in India, but also a body or partnership incorporated or formed outside India but carrying on business in India. The Amendment Act has a specific provision for offences committed by commercial organisations and persons associated with it. It provides that if a commercial organisation commits any of the offences listed out in the Prevention of Corruption Act, then every director, manager, secretary or other officer with whose ‘consent or connivance’ the offence was committed, is to be made liable as specified under the Prevention of Corruption Act 1988.





ANNEXURE B - RED FLAG INDICATORS

While an exhaustive list cannot be provided, set out below are indicative questionable transactions or situations that compliance officer should be careful about – which, when appearing together or individually, should raise a '**Red Flag**' to the Reporting Manager or the Compliance Officer:

- i) A contract requires the use of a third-party consultant where the third party's principal or owner is a government official;
- ii) The business lacks qualifications or resources i.e. the potential business partner does not appear capable of performing the services being offered. Sham service contracts, under which corrupt payments are disguised using a consulting agreement or other arrangement are typical modalities for indulging in bribery or corrupt activities;
- iii) Any potential partner who provides guarantees of success or claims to have the ability to obtain licenses or other government approval without providing a description of a legitimate manner by which those goals will be accomplished;
- iv) Transactions involving unusual payment patterns or financial arrangements. Accordingly, a request to pay unusually high commissions is a warning sign of possible corruption. A request to deposit commissions in multiple bank accounts, perhaps in offshore banks, also justifies additional scrutiny;
- v) Based on pre-acquisition due diligence, it becomes apparent that the potential counterparty has a reputation for offering bribes or violating other laws or indulging in unusually structured transactions;
- vi) Inflated payouts to, or questionable role in the project of potential counterparty or its affiliate;
- viii) A proposed third-party resist or fails to provide details of parentage or has undisclosed principals, associates or subcontractors with whom it splits fees;
- ix) A third-party counterparty refuses access to its books and records where requested under the proposed contract.
- x) A Public Official suggests, requests, urges, insists, or demands that a particular third party, company, or individual be selected or engaged, particularly if the official has discretionary authority over the business at issue.
- xi) The third party insists on dealing with government officials without the participation of the Company.
- xii) The fee, commission, or volume discount provided to the third party is unusually high compared to the market rate.
- xiii) Third party has a reputation for paying bribes, or requiring that bribes be paid to them, or has a reputation for having a "special relationship" with government officials.

