

Policy for Non-acceptance of Gifts & Hospitality

Purpose

Brakes India is committed to conducting its business affairs ethically and in compliance with all laws and regulations. To preserve the integrity and trustworthiness of our employees and the organization as a whole, the acceptance of any gifts, gratuities, or favours or hospitality from external stakeholders involved in sensitive transactions is strictly prohibited.

Scope

This policy applies to all employees, officers, directors and contractors who are involved in the negotiation, execution, and management of business dealings, including but not limited to sensitive transactions.

Definitions

Sensitive Transactions: Transactions that are critical to the organization's operations, involve significant financial commitments, or may impact the organization's reputation.

External Stakeholders: Individuals or entities outside the organization that have a direct or indirect interest in the outcome of a transaction, including vendors, clients, contractors, and consultants and prospective business partners.

Gifts & Hospitality: A gift is any item of value, monetary or non-monetary, including cash, valuables, discounts, services, loans, favours, or special privileges not available to the public. Hospitality includes meals, travel, and accommodation; entertainment includes leisure activities, trips, and event tickets. Such hospitality or entertainment may also be considered a gift if not reasonable in value or frequency.

General Principles:

1. Non-Acceptance of Gifts and Favours:

- Employees shall not solicit or accept gifts, gratuities, favours, hospitality or any other benefit from external stakeholders directly involved in a sensitive transaction.
- This includes, but is not limited to, cash, discounts, services, loans, trips, entertainment and hospitality that could influence or appear to influence decision-making or loyalty to the organization.

Brakes India Private Limited

 (044) 2625 8161 / (044) 2625 7010  MTH Road, Padi, Chennai - 600 050, India.  www.brakesindia.com

Registered Office: No.21, Patullos Road, Chennai - 600002. sales@brakesindia.co.in CIN: U35999TN1962PTC004928



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2. Monetary Threshold (Limited Exceptions)

- Employees may accept nominal gifts such as merchandise, souvenirs, corporate gifts, mementos not exceeding INR 1000 per instance, provided that such gifts are: Infrequent, non-cash in nature, not intended to influence any business decision.
- Any gift valued at INR 1000 or above must be reported and recorded in the Gift Register.
- The cumulative value of gifts from a single stakeholder must not exceed INR 1000 in a financial year without prior approval.

The following shall never be accepted irrespective of value:

- (i) Cash or cash equivalents (gift cards, vouchers)
- (ii) Precious metals, jewellery, or high-value personal items
- (iii) Personal services, employment offers, or favours
- (iv) Gifts intended as bribes, kickbacks, or facilitation payments

3. Reporting and Transparency:

- Any attempt by an external stakeholder to offer a gift or favour or hospitality exceeding the permitted threshold must be reported immediately to the employee's supervisor or compliance officer / functional head.
- All accepted gifts (including those within threshold) must be declared and recorded in the Gift Register within 3 working days, including
 - (i) Employee name
 - (ii) Description of gift
 - (iii) Name of giver
 - (iv) Approximate value
 - (v) Business context
 - (vi) Whether accepted/declined, (vii) Reason for decision.
- A record of the report should be maintained in accordance with the organization's record-keeping policy.

4. Exceptions:

- In certain cultures, the refusal of a gift may offend. In such cases, employees must:
 - (i) Accept the gift on behalf of the organisation, not in personal capacity.
 - (ii) Report it within 24 hours
 - (iii) Handover the gift for appropriate action as decided by compliance.

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5. Travel and Hospitality

Employees shall not accept sponsored travel, accommodation, or event participation from external stakeholders unless:

- It is pre-approved in writing by the Compliance Officer or Functional Head.
- There is a legitimate business purpose, and
- Expenses are paid directly by the Company wherever feasible.

6. Training and Communication

The Company communicates transparently all necessary and relevant information with all the relevant stakeholders regarding policies and procedures related to Policy of Nonacceptance of Gifts and Hospitality. This Policy shall be available on internal portal and/or on the website of the Company. Awareness programs will be conducted for high-risk roles

7. Enforcement and disciplinary actions:

Violations of this policy will be subject to disciplinary action, up to and including termination of employment and legal action, if applicable.

Review and Update

This policy will be reviewed and updated as necessary to reflect changes in laws, regulations, and organizational priorities.

Conclusion

Adherence to this policy is mandatory for all employees. By rejecting unsolicited gifts and favours from external stakeholders, we protect the organization's integrity and foster a culture of ethical business practices.



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Jun 2026.