



KALPATARU PROJECTS INTERNATIONAL LIMITED
(Formerly Kalpataru Power Transmission Limited)

Kalpataru Supplier Code of Conduct (KSCC)



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1. Purpose

Kalpataru Group of Companies are committed to work with its Suppliers to develop and maintain a sustainable supply chain required for the purpose of execution and functioning of its various business activities in India as well as abroad. Kalpataru Group of Companies strive to develop mutually beneficial business relationships and expects its Suppliers to adhere to high ethical standards and avoid engaging in any activity that involves even a perception of impropriety or any adverse reputational risks to Kalpataru.

As per the standard commercial practice and under KSCC all the Suppliers of Kalpataru Group of Companies are required to comply with applicable national (domestic) and international laws and regulations. KSCC goes beyond mere compliance with the law by drawing upon internationally recognized standards to advance social and environmental responsibilities. As reflected in the KSCC, Kalpataru Group of Companies is committed to high standards of integrity and sustainability.

KSCC sets forth minimum workplace standards and business practices that are expected of any Supplier doing business with Kalpataru Group of Companies, consistent with the Kalpataru Group values.

Application

The Term “Kalpataru Group of Companies” and “**Kalpataru Group**” wherever it appears in this document shall include all Kalpataru Group of Companies and its affiliates and subsidiaries nationally as well as internationally including but not limited to Kalpataru Projects International Limited (KPIL), Shree Shubham Logistics Limited, and Property Solutions (India) Private Limited.

The term "Affiliate" wherever it appears in this document shall include any entity, individual, firm, or corporation, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with Employer.

The term “**Supplier**” wherever it appears in this document shall include supplying all “**Supplier**” types of products, “**Contractor**” undertaking sub-contracting jobs & “**Service Provider**” providing all types of services to the Kalpataru Group of Companies. The term “**Suppliers**” also includes all its representatives including its employees, officers, directors, agents, sub-suppliers and sub-contractors.

Every Supplier shall ensure that all their representatives conduct business with and/or on behalf of Kalpataru Group of Companies in accordance with this KSCC. The Supplier shall contractually secure its own Suppliers, Sub-Suppliers, Business Partners and other Third parties directly or indirectly engaged by the Supplier in the provisioning of products/services to accept and adhere to the requirements as set out herein.

2. Compliance with the law and regulations

It shall be the responsibility of every individual Supplier of Kalpataru Group of Companies to comply with all applicable laws, statutes, ordinances, rules, regulations and orders applicable to Kalpataru Group of Companies businesses, including all applicable government contractual requirements on back to back basis, which flow down through the contracts with Kalpataru Group of Companies clients/ customers. The Supplier shall provide adequate documentation for proof of compliance with these requirements, upon request by Kalpataru Group of Companies. In case of Supplier's failure to comply with the provisions of this clause, Kalpataru Group of Companies reserve the right to terminate the engagement with any such Supplier without incurring any liability of any nature whatsoever. The Supplier shall also ensure that its employees/staff abide by this KSCC.

3. Anti-bribery: Kickbacks, bribes and payoffs

Suppliers must comply with national and international anti-bribery legislation and avoid all forms of corruption. Suppliers must not offer or accept anything of value to secure an improper or unfair advantage or benefit. The Supplier shall not offer or accept, either directly or indirectly, kickbacks, bribes or payoffs in cash or any other form. This shall apply regardless of whether the undue advantage is offered directly or through an intermediary.

Facilitation payments, paid to speed up the performance of a function or activity are prohibited. Kalpataru Group of Companies do not authorize any person to make facilitation payments on their behalf and Kalpataru Group of Companies seeks to ensure that their Suppliers/agents and other intermediaries do not make facilitation payments on behalf of Kalpataru Group of Companies.

4. Gifts

Kalpataru Group chooses its Suppliers based on the quality and value of the goods and services they are able to provide. It is Kalpataru Group's policy to never solicit or accept gifts or gratuities in any form that may influence or appear to influence Kalpataru Group decision in the award of contracts for supplies and/or services or any other form of preferential treatment in their business transactions. Therefore, Suppliers shall refrain from offering to Kalpataru Group of Companies employees, directly or indirectly, any payments, and donations, gifts in the form of cash or kind, gift vouchers, cash equivalent gifts, cheques, other negotiable funds, hospitality and/or entertainment or any form of gratuities, irrespective of the value. Reasonable & customary edible gifts of small value such as on festive occasions from anyone are normally acceptable but, high value gifts - those in excess of Rs.500, are not acceptable. Further Supplier shall also refrain from giving any favors of any kind to Kalpataru Group employees.

The Supplier shall comply with applicable laws and regulations concerning bribery, corruption, fraud and any other prohibited business practices. The Supplier shall not offer, promise or give any undue advantage, favour or incentive to any Kalpataru Group employee. This shall apply regardless of whether the undue advantage is offered directly or through an intermediary and/or spouse or any other relative. The Supplier shall not make expenses of any kind for or on behalf of any Kalpataru Group employee; this shall include any free trips / holidays within India and/or abroad for employee and/or members of employees' family. The Supplier shall not provide material / equipment / any other supplies for personal use of any Kalpataru employee at discounts or have personal transactions with them. The Supplier shall not make donations or pay for advertisements or to charitable organizations in which any Kalpataru Group employee is a beneficiary and/or trustee.

Any non-compliance of this policy on the part of the Supplier shall result into blacklisting by Kalpataru Group of Companies and such Supplier shall not be allowed to engage with the Kalpataru Group of Companies in future.

5. Conflicts of Interest

Except in accordance with this Clause, as a Supplier to Kalpataru Group of Companies, a Supplier (including its promoters, directors, employees, officers, agents) shall not enter into any financial or commercial relationship with a Kalpataru Group of Companies employee that creates any actual, potential or perceived conflict of interest for Kalpataru Group of Companies. It is clearly understood that a conflict of interest arises when the personal interests of a Kalpataru Group employee are inconsistent with the responsibilities of his/her position in the Kalpataru Group of Companies. All such conflicts shall be disclosed. Even the appearance of a conflict of interest can be damaging to Kalpataru Group. Hence Supplier shall disclose such conflict of interest to the Kalpataru Management forthwith.

The Supplier shall not provide services of any kind to any Kalpataru Group employee for their personal jobs without Kalpataru Management approval. The Supplier shall not hold any joint business interest with any Kalpataru Group employee or their family members or close friends.

The Supplier shall not make job offers to any Kalpataru Group employee and/or members of employees' family.

All Suppliers to Kalpataru Group of Companies shall make a declaration towards this end in the format as per *Annexure 1* to this document.

6. Record accuracy and retention

The Supplier shall ensure that business records pertaining to Kalpataru Group of Companies are retained for the period prescribed under the applicable law. These business records shall reflect all business transactions accurately and fairly and without any alteration thereto.

Disposal of these records shall be performed properly and with adequate attention to the confidentiality of the information concerned.

7. Data protection

The Supplier shall ensure compliance with laws and directives providing for the protection, transfer, access and storage of personal information. The Supplier shall protect all confidential information provided by Kalpataru Group of Companies and their respective business partners. The Supplier shall respect intellectual property of others, including Kalpataru Group of Companies and adhere to international trade regulations and export control regulations, as applicable.

8. Confidential Information

A standard Non-Disclosure Agreement shall be signed between Kalpataru Group of Companies and the Supplier or prospective Supplier prior to discussing and/or sharing of any confidential information. The Supplier shall not utilize or disclose Kalpataru Group of Companies confidential information. This shall include, but is not limited to, customer information, Supplier information, knowledge of business plans or projections, sales or marketing programmes, customer lists, significant legal or regulatory action or strategy, new products or price changes, changes in senior management, divestitures or mergers and acquisitions.

In the absence of a specific Non-Disclosure Agreement, the relevant clauses in this KSCC shall serve the purpose of Non-Disclosure Agreement.

9. Government, Media and Investor Relations

The Supplier shall not instigate any form of publicity or make any statement or submission to investors, the media or government referring to Kalpataru Group of Companies without first obtaining prior written permission from Kalpataru Group of Companies (except where required by government or under the law). The Supplier may submit any such request to its primary contact at Kalpataru Group of Companies to be directed for appropriate authorization.

10. Fair competition

Kalpataru Group of Companies believe in vigorous yet fair competition. The Supplier shall not engage in collaboration or other activity that reduces competition. The Supplier shall conduct their activities in compliance with applicable anti-trust/competition laws concerning free and fair competition.

11. Insider trading

The Supplier shall ensure that any unpublished price sensitive information it is party to regarding Kalpataru Group of Companies is not used to either engage in or support insider trading (which is the use of material unpublished price sensitive information to attempt to profit through dealing in securities).

12. Security, health and safety

The Supplier shall ensure that it adheres to the norms of security, health, safety related rules & regulations laid down under various acts whilst in attendance at Kalpataru Group of Companies or its customer sites, and in accessing Kalpataru Group systems or information.

13. Environment

At Kalpataru Group, environmental considerations are an integral part of our business practices. The Suppliers of Kalpataru Group shall comply with all applicable environmental laws and regulations.

- Suppliers shall maintain all required environmental permits and registrations and follow the operational and reporting requirements of such permits.
- Suppliers shall comply with regulated substance specifications and with any applicable laws and regulations prohibiting or restricting the use or handling of specific substances.
- Suppliers shall measure and take steps to reduce greenhouse gas emissions and energy consumption. They shall implement energy-efficient practices and technologies to minimize their carbon footprint.
- Suppliers shall enhance resource efficiency by optimizing the use of raw materials, water, and energy through organizational or technological modifications. They should prioritize recycling and reuse initiatives to reduce resource consumption and waste generation.
- Suppliers shall endeavor to reduce or eliminate solid waste, wastewater, and air emissions by implementing appropriate conservation measures in their production, maintenance, and facility processes.
- Suppliers shall manage, control, treat and/or dispose of non-hazardous solid waste, wastewater, and/or air emissions generated from operations as required by applicable laws and regulations, before discharge.
- Suppliers shall commit to biodiversity conservation, avoiding deforestation, and promoting sustainable land use practices. They should engage in activities that protect natural habitats and ecosystems, ensuring that their operations do not negatively impact the environment.

14. Employment practices

The Supplier shall comply with all applicable employment legislation. At a minimum, the Supplier shall uphold the following standards in their own organization and work to do so within the supply chain:

- Provide a safe working environment for their staff and subcontractors
- Avoid use of slaves, forced or bonded labour and child labour
- Validate that all their employees and the employees of subcontractors have the legal right to work in the country where services are rendered
- Ensure respect for the dignity of individuals at work and zero tolerance for the harassment of individuals in any form and for any reason
- Provide a confidential and secure mechanism for employees to raise grievances
- Avoid discrimination against employees or potential employees on the basis of their race, colour, nationality, ethnic origin, caste, gender, gender reassignment status, marital status, disability, age, religion, belief, membership or non-membership of a trade union or sexual orientation. Issues of disability shall only be considered against the particular requirements of the job
- Compensate employees fairly and follow local minimum wage act and / or regulations and / or collective agreements, and where these do not exist, compensate employees at the minimum wage such that they can meet their basic needs.
- Respect the right of employees to freely associate, form, join, or not join labor unions or other associations of their own choosing, and to bargain collectively. Suppliers shall not interfere with, obstruct, or prevent such legitimate activities.

15. Inspections and corrective actions

- In order to ensure and demonstrate compliance with the KSCC, you shall keep record of all relevant documentation, and provide to us supporting documentation upon request.
- To verify your compliance, we reserve the right to audit and inspect your operations and facilities, at our own cost and upon reasonable notice, with or without support of a third party. If the results of such an audit or inspection cause us to be of the opinion that you do not comply with this KSCC, you shall take necessary corrective actions in a timely manner, as directed by us.
- Supplier shall promptly report to Kalpataru Group of Companies notice of known breach of this KSCC and implement a corrective action plan to cure the non-compliance within a specified time period (furnished to Kalpataru Group of Companies in writing). If the Supplier fails to meet the corrective action plan commitment or comply with KSCC, Kalpataru Group of Companies may terminate the business relationship, including suspending placement of future orders. Kalpataru Group of Companies reserves the right to hold Supplier responsible for reasonable costs of investigating non-compliance and without prejudice for any damages that may be claimed by Kalpataru.

16. Reporting breaches of the KSCC

Kalpataru Group of Companies encourages its Suppliers to raise concerns or make disclosures when they become aware of any actual or potential violation of the KSCC and / or reporting of any event (actual or potential) of misconduct that is not reflective of our values and principles.

The Supplier is expected to self-monitor its compliance with this KSCC. In the first instance, known or potential breaches shall be reported to the Ethics Committee of the respective Group Company. Supplier may report breaches via written letter and/or email. Email IDs to report breaches for the respective companies are mentioned in *Annexure 2*.

17. Acknowledge and Abide by this Code

KSCC forms an integral part of any agreement(s) or contract(s) executed between any Kalpataru Group of Companies and the Supplier. The terms of KSCC are in addition to the stipulations in such agreement(s) or contract(s) and do not supersede them. The KSCC will be read in conjunction with all the relevant applicable policies of the Kalpataru Group of Companies.

Kalpataru Group of Companies expect their Supplier to comply with the conditions of this in letter and spirit. It shall be the Supplier's responsibility to read and understand the content of this KSCC and agree to uphold its value during its business association with Kalpataru Group of Companies. Kalpataru Group of Companies reserves its unfettered and absolute right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

As a Supplier of Kalpataru Group of Companies, it is expected to acknowledge KSCC and to apply/ implement the same in all dealings with, and on behalf of Kalpataru Group of Companies. The Supplier must provide signed Acknowledgement of having read the KSCC along with the Annexures thereto and confirm to abide by all the clauses stated therein as per *Annexure 3*.

Failure to abide by the KSCC or any deviations from the requirements of the KSCC shall result in automatic blacklisting and disqualification of the Supplier from consideration for awarding current and/or future business with Kalpataru Group of Companies. It shall be the responsibility of every Supplier to ensure that any of their employees, subcontractors, agents or other third parties that they employ for their work for Kalpataru Group of Companies, as permitted by respective agreements with Kalpataru Group of companies, shall act consistently with KSCC.

 **Annexure 1****DECLARATION ON CONFLICTS OF INTEREST****(A) DECLARATION ON EMPLOYMENT OF RELATIVES IN KALPATARU GROUP OF COMPANIES / COMPETITOR COMPANIES**

We, hereby declare that the following employee(s) of Kalpataru Group of Companies / or of Competitor Companies / are my relative(s):

Sr.	Employee Code	Name	Designation	Name of Company	Location	Relation

If NO, then please tick on

 No**(B) DECLARATION ON ASSOCIATION IN ANY BUSINESS WITH KALPATARU GROUP OF COMPANIES / COMPETITOR COMPANIES**

We hereby also declare and certify that my following relative(s) is/are associated with any type of business or have interest in business with Kalpataru Group of Companies / Competitor Companies

Sr. No.	Name	Name of Company	Associated with effect from	Type of Business	Location	Relationship

If NO, then please tick on

 No

(Signature of the Supplier Authorized Representative)

Name of Company/ies

Name & Designation of Authorized Signatory

Place:

Stamp & Seal of Company

Date:

 **Annexure 2****EMAIL ID FOR REPORTING BREACHES**

S.No.	Company Name	Email ID
1	Kalpataru Limited	ethics.committee@kalpataru.com
2	Kalpataru Projects International Limited	abms@kalpataruprojects.com
3	Shree Shubham Logistics Limited	ethics@ssl.in
4	Property Solutions (India) Private Limited	ethics.committee@kalpataru.com
5	Any other Kalpataru Group Company not covered in S.No. 1-5	ethics.committee@kalpataru.com

 **Annexure 3****DECLARATION TO ABIDE BY KSCC**

I/We state that I/We have read the Kalpataru Supplier Code of Conduct along with the Annexures thereto and confirm to abide by all the clauses stated therein. I/We also understand that It shall be my/our responsibility to ensure that any of my/our employees, subcontractors, agents or other third parties that I/we employ for my/our work for Kalpataru Group of Companies, as permitted by respective agreements with Kalpataru Group of Companies, shall act consistently with KSCC.

I/We understand that failure to abide by the KSCC or any deviations from the requirements of the KSCC shall result in automatic blacklisting and disqualification of the Supplier from consideration for awarding current and/or future business with Kalpataru Group of Companies.

(Signature of the Supplier Authorized Representative)

Name & Designation of Authorized Signatory

Place:

Stamp & Seal of Company

Date: