

COMPLIANCE WITH LAW

The Company is committed to adopting best in-class practices for Corporate Governance and has implemented robust systems and processes to ensure compliance with all the applicable laws and regulations. The Company recognises the importance of adhering to legal requirements and has mechanisms in place to monitor and assess the effectiveness of these systems. Here is an outline of the systems devised for compliance and how the Board ensures their adequacy and effectiveness:

- a. Legal and Compliance Structure:** The Company has implemented a centralised digital framework for managing compliance with all relevant laws, including the Companies Act, 2013, SEBI Regulations, Income Tax Act, GST Laws, amongst others. Regular monitoring is carried out by the Legal and Compliance Team to ensure that the company remains in line with evolving legal requirements. The Company Secretary and Compliance Officer play a central role in overseeing compliance and providing regular reports to the Board.
- b. Market Rumour Movement:** The Company has engaged an external agency, Concept BIU, to monitor and track news articles from different platforms for evaluating market rumours, that impacts the Company's name or effects share price movement. In addition, the Company has developed an In-House automatic Market Price Movement (MPM) tracker (Business Integration Tool) to continuously monitor live price fluctuations. This tool ensures that any price movement is promptly analysed to determine whether MPM is triggered and if it is influenced by market rumours or other external factors.
- c. Internal Compliance Audit:** The Company conducts periodic internal audits to assess the effectiveness of its compliance systems. Internal controls are reviewed and strengthened on an ongoing basis to mitigate risks and ensure the adequacy of processes in achieving compliance with statutory and regulatory requirements. The Audit Committee, which comprises Independent Directors, regularly reviews audit reports and internal control effectiveness, ensuring any weaknesses are addressed promptly.
- d. Health Checks and Special Reviews:** Periodic health checks and reviews through reputed firms to ensure alignment with best benchmarked governance practices. During the year, the Company conducted health checks on SEBI (Prohibition of Insider Trading) Regulations 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 compliances, amongst others.
- e. Assurance:** Independent Assurance reports and consultancy are sought on the non-financial sustainability aspects.
- f. Related Party Transactions (RPT) Review Report:** Review report from subject matter experts for analysing, confirming and benchmarking the transactions to ensure transparency and systematic review of the related party transaction which are rather minuscule. The Company had developed an In-house RPT automation tool, a system to streamline the identification, tracking and reporting of Related Party Transactions (RPTs). The tool automates the process of capturing and analysing transactions with related parties, ensuring timely and accurate disclosures in compliance with regulatory requirements. This tool enhances efficiency, reduces manual errors, and improves governance standards for managing related party transactions.

- g. Board & its Committees Oversight:** The Board takes an active role in ensuring the adequacy of the compliance systems by evaluating their effectiveness through internal reviews and external audits. The Board also ensures that the Company maintains a proactive approach to compliance, continually seeking improvements in its systems and practices.
- h. KMPs & SMPs Compliance Confirmations:** The KMPs, SMPs & Business/Function Heads review the requisite compliances and provide certificate confirming completeness of compliances from their department. They provide periodic reports to the Board, highlighting compliance status, potential risks and any remedial actions taken. These reports enable the Board to assess the adequacy and effectiveness of the compliance systems. The Board also take noting of compliances and any update in the terms of reference of its committees in their meetings held during the quarters.
- i. Training and Awareness:** Regular training sessions are conducted for Directors, SMPs, senior management, employees and key stakeholders to ensure they understand the legal and compliance requirements applicable to the company and the implications of non-compliance. The Board ensures that such training is aligned with industry best practices and legal obligations to maintain a high level of compliance awareness across the organisation. The Board is updated on a quarterly basis on all the amendments and its implications on the Company along with the actions taken by the Company to achieve complete compliances. The SOPs adopted under BRSR are accompanied by training modules with easy accessibility and assessments.
- j. Employee confirmation on Compliance with all Applicable Laws, Rules and Regulations:** All employees working in the Company shall comply with and provide declaration/confirmation of compliance with applicable laws, rules, and regulations in India and in any other jurisdiction in which the Company does business. The Employees shall adhere to the Law both letter and spirit and violation of laws, rules and regulations may subject to an individual, as well as our Company, to civil or criminal penalties.
- k. External Legal Counsel:** The Company engages external legal counsel on complex legal, regulatory, statutory and other matters to ensure compliance.
- l. Review of adequacy of codes and policies:** The Company as continuous improvement process in its compliance efforts regularly reviews its systems, policies, and procedures to adapt to evolving legal requirements and enhance overall compliance effectiveness.
- m. Compliance with Corporate Governance Requirements:** The Company has complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of the Listing Regulations.
- n. Internal Compliance Tool:** The Company has implemented an **Internal Compliance Tool** designed to ensure adherence to all applicable laws and regulations:
- **Regulatory Tracking** - This tool supports the identification, implementation, monitoring and tracking of compliance requirements across various functions and departments within the Company.
 - **Risk Management:** It identifies and flags any deviations from the compliance requirements, allowing for early identification of risks and the implementation of corrective actions.

- **Departmental Oversight:** It allows different departments or business units to input their compliance activities, ensuring that everyone in the organisation follows the relevant standards.
- **Reporting:** The tool generates reports on compliance status, highlighting areas of concern and generating certificates for management review and board approval.
 - It also facilitates the reporting of any deviations to Management and the Board of Directors, enabling risk mitigation and corrective action.
 - Additionally, based on confirmations from the Heads of Departments and Group Presidents, a **Compliance Certificate**—signed by the Managing Director and Company Secretary—is presented at each quarterly Board meeting. This certificate confirms compliance with relevant laws, rules, and regulations applicable to the Company.
 - The Company follows a robust post-meeting process for follow-up, review and reporting of actions taken on decisions made by the Board and its Committees. The Company Secretary & Compliance Officer submits an **Action Taken Report** at each meeting, detailing compliance with the Board/Committee's decisions and instructions.
 - **Audit and Review:** The tool integrates with internal audit systems to ensure that compliance processes are adequate and functioning effectively.