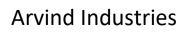
Policy-Anti-Corruption and Bribery



Policy on

Anti-Corruption and Bribery

1 Background and goals

ARVIND Industries stands for correct and fair business conduct and succeeds solely with the expertise of its staff and the quality of its products and services (as stated in our Code of Conduct). We do not tolerate any form of bribery or corruption and we adhere to all applicable laws and regulations.

With this Anti-Corruption Policy, we want to demonstrate our clear commitment to conduct business in accordance with applicable laws and regulations worldwide and in a way, which will maintain and enhance our reputation in the market. One aspect of this commitment is that Arvind Industries always acts in a professional, honest and responsible manner and avoids any conduct which may be considered corrupt or contrary to good corporate ethics. We expect our business partners to adhere to the same level of rules and standards as set out in this Policy.

This Policy will be complemented by further Guidelines and Manuals to provide detailed procedures and controls as appropriate.

2 Scope

This Policy applies to all directors, managers and employees, regardless of their position or type of employment, and other persons working on behalf of any group company of Arvind Industries (together referred to as Staff). Third parties engaged by Arvind Industries, such as agents, consultants, contractors, shall certify their commitment to this Policy before commencing any service

3 Prohibition of corrupt practices

It is strictly prohibited to all Staff to offer, promise or grant, directly or indirectly, any advantage with the objective to obtain an unlawful consideration (e.g. to win a contract, influence a tender process, circumvent import regulations of products, gaining access to non-public bid information, etc.).

This prohibition also includes so called Facilitation Payments, even if they may be allowed under some jurisdictions.

Likewise, any demanding or accepting of an advantage for oneself or for a third party for the provision of an unlawful consideration is prohibited.

Corruption, including the bare attempt, is indictable even if committed abroad, regardless of local customs and practices.

The offence of bribery is not only limited to politicians and Public Officials or to certain countries, but also applies to the private sector and to all countries worldwide, even if committed indirectly, that is through third-parties, e.g. relatives, friends, agents or other intermediaries.

A perpetrator as well as persons indirectly involved may be prosecuted in their home country and in the country where the bribe was paid or accepted, but also by other countries with extraterritorial jurisdiction, such as the United States and the United Kingdom. In addition, corruption can result in severe financial and non-financial consequences for the company in different jurisdictions

Arvind Industries expects all Staff to refrain from any form of bribery or corruption, irrespective of citizenship, domicile, or location.

Business activities with risk exposure

4.1 Dealing with customers and suppliers

Dealing with customers and suppliers involves financial negotiations, relationships with third parties and exposes employees in these areas to various risks of corruption, such as direct or indirect bribes (i.e. through third-parties), kickbacks, facilitation payments, and conflicts of interest (see section 6 for definition of these terms).

Be aware: Not only sales representatives and purchasers are exposed to risk. Many other functions dealing with third parties, for example site supervisors and service technicians, engineers handling claims or performing quality inspections, and clerks in charge of customs declarations, governmental permits and similar issues may come across a situation prone to undue influence.

As stated in our Code of Conduct, Arvind Industries stands for correct and fair business conduct and succeeds solely with the expertise of its staff and the quality of its products and services. We do not accept or tolerate any undue measures to influence a business decision, neither in sales nor in procurement. The purchasing process must comply with our Global Purchasing Guideline and our suppliers must receive and accept our Supplier Code of Conduct.

4.2 Dealing with agents, resellers and consultants

In our business, it is common practice to engage sales agents, distributors, resellers, business consultants, lobbyists and others (collectively Intermediaries), to act on our behalf to assist in securing, preparing or negotiating bids for new contracts of existing or the extension contracts when it is necessary and appropriate to supplement our own experience in given markets or subject areas.

However, in order to protect the company from any association with illegal or corrupt payments or the risk of such payments being made on our behalf, all involved Staff must know that certain prescribed procedures must be undertaken to ensure they share our commitment to ethical business standards, such as:

- Third-party due diligence;
- Written arrangements and contract clauses containing appropriate anti-corruption provisions are put in place;
- Compensation paid to an Intermediary should be appropriate to the legitimate services provided, approved, properly recorded and paid in accordance with the agreed contract;
- We only maintain relationships with an Intermediary whose funds have reputable and legal sources;
- Employees of Arvind Industries are not allowed to receive commission, directly or indirectly, for any work or service they provide;
- All commissions paid by Arvind Industries to an Intermediary should not be higher than 5% (five per cent);
- Negotiation of commissions and their payment must not be handled by the sales departments or persons involved in sales activities;

- No commission shall be paid if payment is not received from the customer, and, if possible, commission shall be reduced in case of late payments;
- Payments shall be made in the counterparty's home country and cannot be made to offshore accounts unless previously approved jointly by the CSO and Internal Audit, Risk & Compliance.
- We inform all Intermediaries about the risks and pledge them to comply with all laws and regulations;
- Intermediaries shall sign and obey our Code of Conduct and provide certifications as specified in the relevant Guidelines.

Internal Audit, Risk & Compliance may release further Guidelines with detailed procedures. Exceptions may be approved for legitimate reason and based on thorough documentation by the CSO after consultation with Legal and Internal Audit, Risk & Compliance.

4.3 Gifts and invitations

Distribution or acceptance of gifts with a symbolic value or invitations within a reasonable scope of hospitality commonly accepted by the business community as an expression of appreciation and respect towards business partners are acceptable and in line with our corporate values.

In many jurisdictions stricter rules apply to Public Officials (see section 6.6 for a definition). If dealing with them, we ensure correctness in advance and refrain from granting any benefit, if in doubt (see 4.4 for more details).

In any case, invitations or gifts which might have an influence on business decisions or official actions, such as awarding a contract or a government permission, or which may be considered discriminatory or non-reputable, or which otherwise leave an impression of dishonesty or moral obliquity are prohibited, regardless of their financial value and no matter whether actively granted or passively accepted.

All sorts of gifts and invitations require transparent and comprehensive documentation, in particular appropriate expense reports in accordance with applicable laws and internal regulations.

In the following situations additional disclosure in the **Arvind Industries** Gifts and Invitations Register and prior approval is required (for a detailed description of the process please refer to the supplementing Gifts and Invitations Guideline):

- Gifts received or offered above a value of RS -40000 (or the equivalent in any other currency);
- Any gift or invitation, except giveaways, refreshments and simple meals during or after a meeting, offered to a Public Official, regardless of the value;
- Assumption or reimbursement of travel expenses for a customer representative;
- Assumption or reimbursement of travel expenses for our Staff by a supplier. Should

you receive an unacceptable gift you must report it to your manager and send it back.

Place: