



NOVELTECH FEEDS PRIVATE LIMITED

Regd.Off.: Trendz Hub, H.No 1-89/A/8, Plot No. 8
3rd & 4th Floors, Gafoornagar, Madhapur,
Hyderabad, Telangana – 500081
CIN: U74999MH2018PTC306457
GST No.:27AAFNC9791F1ZY
E-mail: info@noveltech.in

THIRD PARTY POLICY

A. INTRODUCTION

This Third-Party Policy (**Policy**) applies to Noveltech Feeds Private Limited and all subsidiary/affiliates over which it exercises control (collectively referred to as **Company**). The Policy has been developed to assist all staff of Company in managing the compliance risk associated with engaging third-party intermediaries.

This Policy supplements the Anti-Bribery & Corruption Policy (**ABAC Policy**), which prohibits the direct or indirect offer, giving, solicitation, or acceptance of any bribe or kickback in any form for the benefit of any person (whether in private or public office) in order to obtain any improper business or other advantage.

“**Third Party**” shall mean all individuals or commercial entities that have business dealings with the Company under the terms of a contract or otherwise, and shall include, inter alia, joint ventures, suppliers, vendors, consultants, contractors, sub-contractors or any other third party of such nature and their employees / agents, who in course of discharge of their functions/ obligations are required to liaise / interact with Public Official(s), as defined hereinafter.

For the purposes of this Policy, the term **Public Official** shall have the same meaning as assigned to it under Noveltech’s Anti-Bribery and Anti-Corruption Policy. For ease of reference, the same has been extracted below:

Public Official means (i) anyone in the service, of the Central Government, State Government or an instrumentality of the Central and State Government and includes inter alia persons employed by or in the service of any Government Entity ; (ii) a candidate for political office, members of Parliament or other legislative bodies, ministers of finance; (iii) any person identified as a public official under local laws; (iv) politically exposed persons, i.e., former senior public officials, family members of current and former public officials; and (v) known close associates, either socially or professionally, of such current and former public officials. The officials of private sector banks in India are also considered public officials under the Prevention of Corruption Act.

This policy must be complied with before a Third Party is engaged as a vendor.

B. THE USE OF AGENTS AND OTHER THIRD PARTIES

1. Risks posed by Third Parties

Under applicable anti-bribery and anti-corruption laws, the Company can be held responsible for direct and indirect bribery. This means that the Company may incur criminal and civil liability for the acts of Third Parties, including unlawful payments on behalf of Company, even if Company did not authorize their actions. This exposure can be criminal, civil and/or reputational, and may arise even where employees did not themselves authorise—or even know of—any bribe provided by a Third Party acting on behalf of the Company.

As a result of these serious consequences, the Company and employees must be extremely vigilant and take appropriate steps to ensure that improper payments are not offered or made, solicited or received, or in any way facilitated on their behalf by Third Parties. Employees should always exercise care and skill when selecting and dealing with Third Parties and should be alive to, and raise any concerns in relation to compliance risks, including corruption and conflicts of interest.

A conflict of interest exists when an agent's personal interests are inconsistent with those of their employer or principal – which creates conflicting loyalties.

Particular care is required when engaging Third Parties that are meant to or are likely to interact with Public Officials

Examples of Third Parties include agents and service providers involved in sales and marketing, marketing agents, resellers and distributors, introducers and finders, brokers, port and customs agents and lawyers, tax advisers and other professionals.

This policy provides guidance on steps that must be taken to ensure that Company's arrangements with Third Parties do not expose the Company or employees to liability under applicable bribery laws.

2. Guiding principles in selecting Third Parties

2.1 Identification of a business need and preliminary assessment:

(a) Before engaging a new Third Party or renewing an engagement with an existing Third Party, the Company must have a legitimate business need. While identifying a Third Party, the following preliminary assessment must be carried out:

(i) The proposed relationship must contribute to the accomplishment of the Company's business objectives;

- (ii) The individual or entity must have an appropriate legal status and be under no restriction to provide goods or services to the Company in the applicable market;
- (iii) The proposed relationship must be in compliance with applicable laws and regulations and at arm's length;
- (iv) The prospective Third Party's payment arrangement must be reasonably proportionate with the services being rendered and the capability of the party to perform them, and must be based on a fair market value;
- (v) The integrity and independence of the individual or entity must be clearly established.
- (vi) The Third Party should have an effective compliance program in place.
- (vii) The Third Party should be made aware of the ethics and compliance program of the Company and that the Company expects the Third Party to carry out all activities on their behalf in compliance with such requirements;
- (viii) The Company should not deal or engage with any contractors, suppliers, and other Third Parties known or reasonably suspected to be engaging in any form of misconduct, including but not limited to, violation of any laws in force, including bribery and corruption, money laundering and criminal offences etc.

To minimise the risk of Third Parties engaged by the Company engaging in inappropriate conduct, employees should always take reasonable care in selecting Third Parties and in monitoring their activity. The choice of Third Parties should be consistent with quality, reliability, price, service, reputation, and other legitimate business factors.

2.2 Guiding Principles:

Specifically, for all Third Parties, employees should:

- (a) Exercise care and skill when selecting and dealing with Third Parties and be alive to, and raise any concerns in relation to, compliance risks, including corruption and conflicts of interest.
- (b) Ensure the Third Party is being engaged for legitimate purposes and never hire a Third Party if there is reason to suspect that the Third Party will pay bribes or engage in other improper and unlawful conduct on Company's behalf (*refer above*).

- (c) Seek to ensure that all fees and expenses paid to Third Parties represent appropriate and justifiable remuneration for legitimate goods and services to be provided and are paid directly to the Third Party.
- (d) Keep accurate financial records of all payments and related documentation, including but not limited to purchase orders, invoices, agreements, and proof of services.

In addition, for all Third Parties identified as high risk or low risk, employees should:

- Ensure there is a clear and demonstrable business case for using a particular Third Party and that this business case is recorded.
- Engage Third Parties through written agreements.
- Ensure that Third Parties are informed of Company's ethical expectations and agree not to engage in bribery.

C. RISK PROFILE OF THIRD PARTIES

3. Assessing third party risk

- 3.1 A risk assessment must be conducted to assess the potential risks posed by a new or existing Third Party to assess whether the Third Party is high or low risk. Different Third Parties pose different kinds of risk to the Company. It is hence important to understand these risks by assessing them, and then categorizing and ranking third parties accordingly (i.e., high risk or low risk).
- 3.2 The determination of the Third Party's Risk Rating (See, Annexure II) involves evaluating various factors about the Third Party such as the type of Third Party, the nature of the services being provided, the level of its interaction with government officials, the country in which the services will be provided, and the risk of improper payments. The assigned Third Party risk rating will determine the level of due diligence to be conducted. For instance, a supplier located in a high-risk country would need a greater level of audits and investigations that one located in a low-risk country.
- 3.3 The risk assessment shall be undertaken by the head of the concerned department engaging the Third Party and the results of such assessment shall be informed to the Chief Financial Officer.

RISK ASSESSMENT FORM:

Criteria	Risk Rating	Required Steps
<p>Are any of the following statements true?</p> <ul style="list-style-type: none"> • The Third Party is communicating or interacting with Public Officials on behalf of Company, including but not limited to any agent assisting with licensing requirements, any port and customs agents or tax advisors or marketing agents or resellers interacting with (prospective) customers that are government owned or controlled entities. • The Third Party is being engaged to interact with any person or entity where the Third Party is remunerated on the basis of success (including through commission or an uplift / bonus) in securing a contract, permit, license or business decision in favour of Company or some other business advantage. • The Third Party is engaged to seek information that is not publicly available, in either the public or the commercial sectors. • The Third Party is engaged to assist in obtaining or retaining business or some form of business advantage for Company, including but not limited to a finder, introducer or any other broker whose role is to source and introduce clients to Company. • One or more corruption red flags has arisen in relation to the proposed 	<p>High Risk</p>	<ul style="list-style-type: none"> • Comply with the Guiding Principles above. • Incorporate tailored anti-bribery and corruption clauses for third party agreements.

Criteria	Risk Rating	Required Steps
engagement (including any of those set out in section 3.3 below).		
<p>If none of the "High Risk" criteria apply - Are any of the following statements true?</p> <ul style="list-style-type: none"> • The Third Party is only acting as suppliers of goods to Company and not providing any additional services. Consideration must be given as to whether the Third Party's provision of goods has the provision of services embedded (for example, if the Third Party is arranging for customs clearance of goods, this is a service that the Third Party is providing in addition to arranging the goods and qualifies as "high risk"). • The Third Party is known to Company and is engaged for Company on a purely inward facing basis – that is, where they deal solely with Company and do not have any contact with any external parties on Company's behalf at all. <p>The Third Party is a professional service provider that is subject to professional service standards of a regulatory body (e.g. lawyers and banks)</p>	<p>Low Risk</p>	<ul style="list-style-type: none"> • Comply with the Guiding Principles above. • • Incorporate general anti-bribery and corruption clauses for third party agreements.
<p>If none of the above apply - Is the third party a customer who does not provide any services to Company?</p>	<p>Only Section E (Sanctions screening) of this Policy applies</p>	<ul style="list-style-type: none"> • No further steps required under this policy other than the steps set out in Section E.

4. What to do if you are unsure or are dealing with other Third Parties

4.1 If any Third Parties are being considered and it is not clear whether this policy applies or which category of risk they fall into, the Third Party must be referred to compliance@noveltech.in for assessment. The Compliance Officer can then advise on suitable anti-bribery and corruption due diligence steps. The Compliance Officer will assess the risk posed based upon all relevant factors, including those set out above.

5. Changes to a Third Party's role

5.1 Where a Third Party's role on a particular engagement changes substantially such that they are engaging in a fundamentally different activity, a new risk assessment should be conducted in respect of that new role. This could occur, for instance, where:

- the Third Party was initially engaged to assist in obtaining or retaining business or some form of business advantage for Company but is now proposing to also communicate with Public Officials on behalf of Company; or
- the Third Party was initially only a supplier of goods but is now providing ancillary services, which includes interfacing with clients.

(a) *Re-engaging a Third Party*

Before entering into any new contract with a Third Party, a corruption risk assessment and the corresponding risk mitigation measures should be undertaken in accordance with the process outlined above.

(b) *Third Party Due Diligence Refresh*

Where a Third Party has been engaged on contractual terms which exceed one year, the due diligence obtained must be refreshed on a periodic basis to identify whether the Third Party's risk profile or the responses to the due diligence undertaken has changed. The period required for refresh is as follows:

- High Risk: At least once every two years
- Low Risk: Revisit risk rating at least once every four years

D. RED FLAG SCENARIOS: WARNING SIGNS FOR CORRUPT CONDUCT BY THIRD PARTIES

If any of the Third Parties who have an existing relationship with Company exhibit any behaviour which is indicative of bribery, corruption or otherwise dishonest conduct, this must be escalated to the Compliance Officer and the Chief Financial Officer (), and the Third Party must be treated as High Risk for the purposes of any future engagements.

In relation to Third Parties already engaged, where a red flag arises no further payments should be made to that Third Party until the matter has been escalated to the Compliance Officer and the CFO and they have given approval to proceed.

There are particular activities that may arouse suspicion about a person with whom Company has an actual or proposed business relationship. Non-exhaustive examples of these activities are as follows:

- **Questionable Circumstance**

- The Third Party does not fully and truthfully disclose all information requested by Company.
- The Third Party is involved in transactions or makes requests that are not consistent with the business activities of the Third Party.
- The Third Party refuses to abide by Company's Code of Conduct or Anti-Bribery & Corruption Policy, if requested to do so, or by applicable anti-corruption laws.
- Lack of transparency in expenses and accounting records, or the provision of information which is apparently false or inconsistent.

- **Reputation**

- Research and/or reference checks uncover negative information regarding the Third Party.
- The Third Party is new to the business, which can be indicated by a failure or inability to provide references.
- The Third Party has been subject to prior civil or criminal investigations or enforcement actions for improper, unethical, or corrupt conduct.

- **Ties to the Government**

- The Third Party is specifically requested or recommended by a Public Official or close relatives or associates of a Public Official.
- The Third Party is closely connected with the government or a political party or closely connected with (through ownership, familial relationship, or other connections) a Public Official.

- **Capabilities**

- Third Parties who lack relevant qualifications/experience or have not been in business for very long.
- Third parties who lack organizational resources or staff for the work proposed, or at the other extreme, the third party involves unnecessary third parties or multiple intermediaries performing similar functions.

- **Compensation**

- The Third Party requests payments in cash or cash equivalents.
- Requests for unusually large commissions, retainers, or other fees.
- A request by a Third Party to structure a transaction to evade normal record keeping and/or reporting requirements or to structure it in a way that appears to have no legitimate business purpose. For example, increasing prices or paying funds under cover of a side letter.
- Payments through a Third Party that has no contractual relationship with Company, or where a shell company serves as a middleman (especially when domiciled in an offshore tax haven or a bank account located in a country unrelated to the transaction).
- Where there is little or no legitimate justification for the size of the payment or fees due. For example, where payment is requested for a service but the service is either non-existent or the fees bear little or no correlation to the value of the service provided.

E. SANCTIONS SCREENING

Compliance Officer will direct appropriate employees to ensure that the processes set forth in this section is carried out throughout the Group when establishing a new business relationship

with a Third Party or customer ("**Third Parties**") which is subject to heightened sanctions risk.

Heightened sanctions risk exists where there is reason to believe that a prospective or existing Third Party is located or resident or has business dealings in or is incorporated under the laws of an embargoed country (i.e. a country in relation to which virtually all transactions have been prohibited under certain sanctions regimes) or an otherwise sanctioned country listed in Annex 1 to this Policy.

- **Due diligence**

When establishing a new business relationship with any Third Party that presents heightened sanctions risk, the following additional due diligence measures must be carried out:

- **Ultimate beneficial ownership.** Information must be obtained identifying all ultimate beneficial owners owning or controlling 50% or more of the Third Party. Alternatively, a negative confirmation may be obtained from the Third Party that no person or entity on a sanctions-related list promulgated by the Untitled States, the European Union, the United Kingdom or the United Nations ("**Sanctions Lists**") either individually or cumulatively control or own 50% or more of the Third Party. Relevant Sanctions Lists include the Specially Designated Nationals and Blocked Persons List issued by OFAC, the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions maintained by the EU, the UK Consolidated List of Financial Sanctions Targets and the United Nations Security Council Consolidated List.
- **Screening.** The name of the prospective Third Party, their directors and 50% or more ultimate beneficial owners must be screened against the Sanctions Lists.

- **Contractual safeguards**

Any agreement entered into with a Third Party that presents heightened sanctions risk must meet the following requirements:

- **Contract in writing.** The agreement must be in writing setting out the services provided by or to the Third Party in full detail.
- **Representations.** The agreement must include representations and undertakings:

- confirming that neither the Third Party or its directors or ultimate beneficial owners are listed on any Sanctions List; and
 - promising that the Third Party will not source material provided to the Group or sell products purchased from the Group either directly or indirectly from or to persons listed on any Sanctions List.
- Approval. All contracts must be reviewed and approved by the Compliance Officer.

F. PENALTIES FOR BREACH OF POLICY

Violation of this Policy may result in disciplinary action, including the summary termination of the relevant employee's employment.

G. RESPONSIBILITY FOR ADMINISTRATION OF THIS POLICY

The Compliance Officer is responsible for establishing and implementing this Policy. Questions in relation to this Policy should be directed to compliance@noveltech.in. The Company may amend / modify this policy in whole or part from time to time, with the approval of the Managing Director.

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APPENDIX 1**ANTI-BRIBERY AND CORRUPTION CLAUSES FOR THIRD PARTY AGREEMENTS**

This document sets out some model anti-corruption clauses for Third Party commercial agreements.

The appropriate clause will need to be tailored for the particular circumstances of the engagement, the bargaining power of Company and the risks involved. If there are any queries contact compliance@noveltech.in.

ANTI-CORRUPTION CLAUSES

The following clauses should be sought when contracting with high or low risk Third Parties. Before entering into a contract with a high or low risk Third Party which does not include this language or language which has substantially the same effect, you must seek approval from the Chief Compliance Officer @ compliance@noveltech.in

Clause 1: [Insert defined Third Party, whether individual or entity] is and will remain in compliance with the local laws applicable to the services it will perform under this Agreement.

Clause 2: [Third Party] will not, and nor will any of its officers, employees, representatives, consultants or agents ("Associated Parties"), directly or indirectly, either in private business dealings or in dealings with the public sector, offer, give or agree to offer or give (either itself or in agreement with others) any payment, gift or other advantage with respect to any matters which are the subject of this Agreement which (i) would violate any anti-corruption laws or regulations applicable to Noveltech or the [Third Party], including without limitation the Indian Prevention of Corruption Act, 1988, the U.S. Foreign Corrupt Practices Act, 1977, the U.K. Bribery Act, 2010, etc., (ii) is intended to, or does, influence or reward any person for acting in breach of an expectation of good faith, impartiality or trust, or which it would otherwise be improper for the recipient to accept, (iii) is made to or for a Public Official with the intention of influencing them and obtaining or retaining an advantage in the conduct of business, or (iv) which a reasonable person would otherwise consider to be unethical, illegal or improper ("Corrupt Act").

Clause 3: [Third Party] further agrees and undertakes not to seek, directly or indirectly, improperly or corruptly to influence or attempt to influence a Public Official to act to the advantage of either of the Parties or otherwise to perform their duties improperly, and not to use any of the proceeds of any payments made under this Agreement (including in particular the Fees), directly or indirectly, for this purpose or otherwise for the purpose of or in connection with any Corrupt Act.

Clause 4: [Third Party] represents and warrants that it and its Associated Parties have not engaged in any Corrupt Act prior to the date of this Agreement.

Clause 5: To the best of its knowledge and belief, neither [Third Party] nor any of its Associated Parties has at any time: (i) been found by a court in any jurisdiction to have engaged in any Corrupt Act (or similar conduct); (ii) admitted to having engaged in any Corrupt Act (or similar conduct); or (iii) been investigated or been suspected in any jurisdiction of having engaged in any Corrupt Act (or similar conduct).

Clause 6: [Third Party] further agrees and undertakes: (i) to provide any such information as [Company] may reasonably require by notice in writing in order to monitor [Third Party's] compliance with its obligations under clauses [2 and 3]; and (ii) to notify [Company] immediately in writing if, at any time, it becomes aware that any of the representations set out at clauses [4 and 5] are no longer correct.

Definitions: For the purposes of this Agreement, "Public Official" includes, without limitation, any person holding or acting on behalf of a person holding a legislative, administrative or judicial office, including any person employed by or acting on behalf of a public agency, a public enterprise or a public international organisation, any political party or an official thereof or any candidate for any political office, any associated party or employee or retainer of any government or any department, agency, or part thereof, or of any state owned enterprise or joint venture/partnership with a state owned enterprise (including a partner or shareholder of such an enterprise) or of a public international organisation, or any person acting in an official capacity for or on behalf of any such government or department, agency, or part thereof, or for or on behalf of any such public international organisation, or any person deemed to be a public servant under local anti-corruption and anti-bribery laws.

BOOKS AND RECORDS CLAUSE

The following clauses should be sought where possible, particularly when contracting with high risk third parties. Before entering into a contract with a high risk Third Party which does not include this language or language which has substantially the same effect, you must seek approval from [legal / compliance contact].

Clause 7: During the term of this Agreement, [Third Party] shall (i) properly and accurately record in its books and records all transactions which relate in any way to this Agreement or to services provided by [Third Party] under it ("transaction records"), (ii) provide copies of the transaction records, and/or any other such information as [Company] may reasonably require by notice in writing in order to monitor [Third Party's] compliance with its obligations under clauses [2 and 3], and (iii) maintain accurate and complete books and records and internal controls sufficient and of such quality, consistent with generally applicable accounting principles and practices, to permit an audit of the books and records by an internationally recognised firm of public or chartered

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accountants or their equivalent, and which would, following that audit, result in an unqualified audit opinion with respect to [Third Party's] financial statements.

CLAUSES ON RIGHTS TO AUDIT & TERMINATION

The following clauses should be sought where possible, particularly when contracting with high risk third parties. Before entering into a contract with a high risk Third Party which does not include this language or language which has substantially the same effect, you must seek approval from [legal/compliance contact].

Clause 8: Without prejudice to clause [insert reference to any general clause on termination], in the event the [Company] considers that there may have been a breach of clauses [2 and 3] of this Agreement by the [Third Party], the [Company] may terminate the contract immediately without further notice, by giving a notice in writing.

Clause 9: [Third Party] shall provide any information and assistance reasonably requested by [Company] in connection with this Agreement, and in order to enable the Company to review the [Third Party's] compliance with its obligations under, and the provisions of, this Agreement . Upon written request for the same by the Company, the [Third Party] shall, as promptly as practicable, permit the Company or its representatives to access, review, and audit the [Third Party's] books and records in connection with this Agreement. In cases where the [Third Party] refuses to provide books and financial records as per this clause, the Company shall reserve the right to terminate the contract with immediate effect.

Clause 11: Following issuance of the notice, any right to payment of the Fees will be suspended.