

## XPRO INDIA LIMITED

### ANTI-FRAUD POLICY

#### Introduction

The Management is committed to maintain high level of legal, ethical and moral standards, to adhere to the principles of integrity, objectivity and honesty and wishes to be seen as **opposed to fraud and corruption** in the way that it conducts its business. All members of staff are expected to share this commitment. The objective of this policy is to promote a culture which deters fraudulent activity and to facilitate the prevention and detection of fraud and the development of procedures which will aid in the investigation of fraud and related offences and which will ensure that such cases are dealt with timely and appropriately.

A procedure is in place for the **disclosure of situations of conflict of interests**.

The term fraud is commonly used to describe a wide range of misconducts including theft, corruption, embezzlement, bribery, forgery, misrepresentation, collusion, money laundering and concealment of material facts. It often involves the use of deception to make a personal gain for oneself, a connected person or a third party, or a loss for another – intention is the key element that distinguishes fraud from irregularity. Fraud does not just have a potential financial impact, but it can cause damage to the reputation of the Company responsible for managing funds effectively and efficiently. This is of particular importance for a Company responsible for the management of its Funds / affairs. Corruption is the abuse of power for private gain. Conflict of interest exists where the impartial and objective exercise of the official functions of a person are compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with e.g. an applicant or a recipient.

#### Responsibilities

- Within the Management, overall responsibility for managing the risk of fraud and corruption has been delegated to respective Unit Heads who has the responsibility for
  - Undertaking a regular review, with the help of a risk assessment team, of the fraud risk;
  - Establishing an effective anti-fraud policy and fraud response plan;
  - Ensuring fraud awareness of staff and training;
  - Ensuring that the Management refers promptly investigations to competent investigation bodies when they occur;

- Process managers of the Management are responsible for the day-to-day management of fraud risks and action plans, as set out in the fraud risk assessment and particularly for
  - Ensuring that an adequate system of internal control exists within their areas of responsibility;
  - Preventing and detecting fraud;
  - Ensuring due diligence and implementing precautionary actions in case of suspicion of fraud;
  - Taking corrective measures, including any administrative penalties, as relevant.
- The Certifying Authorities have system which records and stores reliable information on each operation; they receive adequate information from the Management on the procedures and verifications carried out in relation to expenditure.
- The Audit Authority (Internal & External Auditors) has a responsibility to act in accordance within professional standards in assessing the risk of fraud and the adequacy of the control framework in place.

### **Reporting Fraud**

The Management has procedures in place for reporting fraud, both internally and to the Managing Director & Chief Executive Officer and if required to the Board of Directors through the Audit Committee.

### **Anti-fraud measures**

The Management has put in place proportionate anti-fraud measures based on a thorough fraud risk assessment. In particular, it uses IT tools to detect risky operations and ensures that staff is aware of fraud risks and receives anti-fraud training. The Management carries out a vigorous and prompt review into all cases of suspected and actual fraud which have occurred with a view to improve the internal management and control systems where necessary.

### **Conclusion**

Fraud can manifest itself in many different ways. The Management has zero tolerance policy to fraud and corruption, and has in place a robust control system that is designed to prevent and detect, as far as practicable, acts of fraud and correct their impact, should they occur.