

SOLARA ACTIVE PHARMA SCIENCES LIMITED

ANTI FRAUD POLICY

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Policy Statement:

Solara Active Pharma Sciences Limited is committed to promoting ethical business practices by implementing robust mechanisms to detect, prevent, and address fraudulent activities. This Anti-Fraud Policy establishes principles and procedures to safeguard the company's assets, maintain transparency, and foster a culture of accountability.

Scope:

The policy is applicable to all including:

1. Employees of Solara including Directors (all permanent employees employed full/Part time).
2. Board Members, Contractors, Consultants, Trainees and Service Providers.
3. Affiliates, stakeholders, and persons/entities contractually obligated globally.

The policy governs all business activities, ensuring adherence to legal and ethical standards to prevent fraudulent practices.

Objectives:

The Anti-Fraud policy aims at to:

1. Prevent, detect, and address all forms of fraud, including corruption, misrepresentation, and asset misappropriation.
2. Promote a culture of integrity and accountability across the organization.
3. Ensure compliance with relevant laws, regulations, and ethical standards.

Definition:

Fraud: Any intentional act or omission designed to deceive others, resulting in financial or reputational harm to the company. Examples include:

1. Asset Misappropriation: Theft or misuse of company assets.
2. Corruption: Accepting or offering bribes to influence decisions.
3. Financial Statement Fraud: Falsification of financial records to misrepresent the company's financial health.

Responsibilities:

The following stakeholders are accountable for adhering to this policy

1. Employees, including directors.
2. Employees of agencies engaged in Solara activities.
3. Contractors, vendors, and suppliers providing services or materials.
4. Any other persons/entities associated with Solara.

Actions constituting Fraud:

1. Asset Misappropriation
 - 1.1. Unauthorized use of company assets for personal gain.
 - 1.2. Forging or altering documents or accounts.

2. Corruption & Bribery

- 2.1. Accepting or offering bribes to secure undue advantages.
- 2.2. Misusing authority for personal or third-party benefit.

3. Financial Misrepresentation

- 3.1. Falsifying financial records, invoices, or transactions.
- 3.2. Misreporting expenses or revenues.

4. Other Fraudulent Activities

- 4.1. Concealing or misrepresenting facts to gain undue advantage.
- 4.2. Engaging in any unethical or illegal practices that harm the company.

Preventing Fraud:

1. Employees must remain vigilant and proactive in detecting fraudulent activities.
2. The company will provide training on fraud prevention, including compliance with anti-fraud principles.
3. Any suspicions of fraud must be reported immediately as per the Whistle-Blower Policy.
4. Investigations into fraud allegations will be conducted impartially, and appropriate disciplinary or legal action will follow proven cases.

Monitoring and Reporting:

1. Employees are encouraged to report fraudulent activities to the CFO or through the Whistle-Blower Policy.
2. No adverse actions will be taken against employees reporting in good faith.
3. Retaliation concerns must be escalated to HR, with unresolved issues taken to the CFO or Managing Director.

Implementation Approach:

1. All employees must acknowledge receipt of this policy, agree to abide by it, and report potential violations.
2. HR will facilitate training and communication and updates on policy compliance.

Administration and Review:

The Anti-Competitive Policy will be reviewed periodically to ensure compliance and effectiveness:

1. The Managing Director will oversee the administration and revision of this policy.
2. The policy will be reviewed periodically and revised as needed to align with regulatory and Organizational needs.

References:

- The Companies Act, 2013 (India)
- ISO 37001: Anti-Bribery Management Systems
- Solara's Whistle-Blower Policy
- Industry Best Practices for Fraud Prevention

Solara Management reserves the right to amend/ withdraw the policy at any time without assigning any reasons whatsoever. The utility and interpretation of this policy will be at the sole discretion of the HR Department.