

**Ethics and Compliance
Policy and Procedures
Manual**

**Welspun India Limited
&
Subsidiaries**

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Part 1: Welspun's Commitment to Compliance

Section 1.A: Welspun's Commitment to Anti-Corruption and International Trade Compliance

Message from Managing Director

Dear Colleagues:

From its origins as a small textile company in 1987, Welspun India Limited has grown into a full service global company recognized as a leader in the industry. Our people around the world have worked hard to create and protect our reputation and success. The key elements to our success are motivation, learning, service to others, diversity, commitment to excellence, mutual respect and personal integrity.

As a global company with business and clients in nearly every region of the world, Welspun's officers, directors, employees, agents, and other representatives are confronted each day with challenges that test our judgment, skill, and knowledge of the local markets where we operate.

In some cases, we encounter business practices that are very different from our own.

Corruption is a threat to our global business. Failure to comply with the laws and regulations applicable to our business and operations can create liability and reputational harm to the Company. Violations of law will not be tolerated and will be the subject of disciplinary action.

As a Company, we owe it to our customers, our communities, our shareholders, and ourselves to conduct our business according to high ethical standards and in accordance with all applicable laws of the countries where we operate. All officers, directors, employees, agents, and other representatives are expected to conduct business for or on behalf of Welspun in an honest, ethical and professional manner at all times

This Ethics & Compliance Policy and Procedures Manual (~~Manual~~) reflects Welspun's commitment to integrity in all dealings with our customers and other stakeholders. The policies and procedures in this Manual apply to all of Welspun's and its subsidiaries' officers, directors and employees, regardless of citizenship or place of employment. Many of the policies and procedures also apply to third parties that Welspun engages in the course of its business. Welspun's commitment to compliance extends to all parts of the world where Welspun has a presence.

The Chief Compliance Officer, is primarily responsible for overseeing the compliance program outlined in this Manual. Other departments and Functions are responsible for implementing the procedures as set forth in the Manual, and the Chief Compliance Officer may assign, as necessary, responsibility for implementation of these procedures to other employees.

Please read this Manual carefully and refer to it whenever necessary. If you have any questions or concerns, please raise them directly with your supervisor, the head of your Function, business unit or region, the Legal Department or the Chief Compliance Officer.

Compliance with anti-corruption and international trade laws is essential from an ethics and business perspective. Thank you in advance for your attention to the content of this Manual and for your commitment to compliance.

Rajesh R. Mandawewala

Managing Director
Welspun India Limited
Date: 14 / 02 / 2012

Section 1.B: Employee Acknowledgement

This Ethics & Compliance Policy and Procedures Manual forms an integral part of terms of employment with the Company.

All officers, directors and employees in employment of the Company are required to comply with the Manual.

By accepting their employment with Welspun, all officers, directors and employees acknowledge and agree to abide by the Manual.

Part 2: Introduction

1.0 Scope

This Ethics and Compliance Policy and procedure Manual (~~%Manual+~~) implements Welspun's Anti-Corruption and International Trade Compliance Program (~~%Compliance Program+~~). The Manual applies to the operations of Welspun India Limited and its subsidiaries (collectively, ~~%Welspun+~~ or ~~%the Company+~~), including all divisions and other entities worldwide that are controlled in fact, by ownership or otherwise, directly or indirectly by the Company. Some of the policies and procedures in the Manual also apply to Welspun's agents and other third party representatives.

All Welspun officers, directors and employees, and all agents and third parties who represent Welspun, must comply with the policies and procedures set forth in this Manual, regardless of seniority, specialization or location.

This Manual is not intended to provide specific answers to unique legal questions, to create legal rights or duties as to third parties, or to set standards of conduct that are enforceable by third parties against Welspun.

2.0 Purpose

It is the policy of Welspun to comply with all applicable laws and regulations in the countries where Welspun conducts business. As part of that policy, Welspun has developed this Manual to guide all officers, directors, employees and representatives on compliance with anti-corruption and international trade laws. This Manual sets the expectations and requirements for compliance with those laws.

3.0 General Policies

All Welspun officers, directors, employees, agents and other third party representatives are required to act in accordance with high standards of personal and professional integrity, honesty, and ethical conduct while working for the Company.

3.1 Anti-Corruption Policy

Welspun prohibits bribery and other corrupt conduct in any form. Bribery and kickback involving government officials, customers, competitors, suppliers, and all other counterparties is strictly prohibited.

It is the policy of Welspun to comply with all applicable laws, regulations or orders of relevant governmental authorities prohibiting the provision of a financial or other advantage for a corrupt purpose or otherwise in connection with the improper performance of a relevant Function, including, as applicable, the Indian Prevention of Corruption Act 1988, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and other applicable laws governing corruption and bribery, whether public, commercial or both.

No Welspun officer, director, employee, agent, or other third party representative worldwide may, directly or indirectly, offer, promise, pay, give, or authorize the giving of any financial or other advantage, or anything else of value, to a government official or any other person, with

the intent to exert improper influence over the recipient, induce the recipient to violate his or her duties, secure an improper advantage for Welspun, or improperly reward the recipient for past conduct.

No Welspun officer, director, employee, agent or other representative may request, agree to receive, or accept anything of value from any other person as an inducement or reward for violating his or her duties to Welspun, performing a Function improperly, or providing an improper benefit or other advantage.

Welspun's anti-corruption and anti-bribery policies extend to all commercial dealings in the markets where Welspun operates. All interactions with private customers, agents, and any other individual or entity must be professional, honest, and ethical.

3.2 International Trade Policy

It is the policy of Welspun to comply with all applicable laws, regulations and orders imposing trade sanctions on countries, individuals or entities and/or regulating the export re-export, transfer, disclosure or provision of commodities, software, technology or services, including, as applicable: (i) U.S. restrictions pursuant to the Foreign Assets Control Regulations (30 C.F.R. Parts 500-599), the Export Administration Regulations (EAR, 15 C.F.R. Parts 730-774), the International Traffic in Arms Regulations (ITAR, 22 C.F.R. Parts 120-130); (ii) E.U. and E.U. Member State export controls administered pursuant to Council Regulation (EC) 428/2009, economic and financial sanctions or restrictive measures imposed pursuant to EC Regulations, and similar national export control and sanctions measures of member states; and (iii) similar export control and sanctions laws, regulations and orders of India and other jurisdictions to the extent applicable.

It is the policy of Welspun to prohibit all new and future business and other dealings, direct and indirect, with embargoed countries and governments. This prohibition on business and other dealings with embargoed countries and governments applies worldwide. A Welspun employee must take care to understand the background and identity of counterparties before pursuing business opportunities and entering into new engagements. Where local law precludes Welspun from fulfilling the obligations of this policy in relation to hiring or other activities, the Chief Compliance Officer and the Legal Department must be consulted and no action may be taken until guidance/approval is obtained from the Chief Compliance Officer or the Legal Department with respect to resolving any conflicting legal obligations.

This Manual should be read in conjunction with any other policies of Welspun with respect to ethics & code of conduct and other general compliance policies.

4.0 Compliance Obligations

Compliance with this Manual is mandatory. All Welspun officers, directors and employees must read and understand the policies and procedures set forth in this Manual.

None of the policies and procedures in this Manual may be waived or adapted without the approval of Chief Compliance Officer who shall appropriately refer the matter to the International Trade Practices and Governance Committee for specific approval. Anyone who violates the standards in this Manual will be subject to appropriate disciplinary action including termination of his or her employment relationship with Welspun. Certain conduct in

violation of the standards in this Manual also could give rise to criminal prosecution by governmental authorities.

If there is any doubt about the policies and procedures set forth in this Manual or whether a proposed payment, transaction, business relationship or other activity complies with the standards of this Manual or applicable laws and regulations, it is the concerned individual's responsibility to seek advice and guidance. If you have questions or problems concerning this Manual and the policies and procedures set forth herein, or if you have questions about interactions with government officials, payment practices, business dealings with certain countries, governments and parties, or any other issue related to the information and standards of this Manual, please immediately contact the Chief Compliance Officer at:

Chief Compliance Officer:

Contact Information:
Chief Compliance Officer
Welspun House
6th Floor, Kamala City
Senapati Bapat Marg
Lower Parel (West)
Mumbai 400 013, India
Phone: 91-22-66136000

5.0 Non-Retaliation Policy

No person subject to Welspun's Ethics and Compliance Policies and Procedures will suffer adverse consequences for refusing to offer, promise, pay, give, or authorize any improper benefit, advantage or reward, even if doing so results in the loss of business for Welspun. Similarly, no such person will suffer adverse consequences for following the international trade policies and procedures set forth in this Manual.

Further, no person subject to Welspun's Ethics and Compliance Policies and Procedures will suffer retaliation or other adverse consequences for providing information in good faith relating to a violation of law or Welspun policy. Welspun will not tolerate any retaliation against persons asking questions about or making good faith reports of possible violations of the policies and procedures in this Manual.

Anyone who retaliates or attempts to retaliate will be subject to discipline up to and including termination.

Part 3: Guidance on using this Manual

1.0 Organization of this Manual

This Manual sets forth Welspun's policies and procedures on a number of compliance areas related to anti-corruption and international trade compliance. The topics focused on anti-corruption compliance are the following:

- Retention and Monitoring of Third Party Representatives
- Gifts
- Travel and Accommodation (Boarding and Lodging)
- Meals, Entertainment and Other Hospitality
- Charitable Contributions Involving Government Officials or Government Entities
- Political Contributions
- Suppliers, Vendors and Other Third Parties Specifically Recommended by Government Officials
- Employment Requests from Government Officials
- Facilitating Payments

The topics focused on compliance with international trade laws are the following:

- Embargoed and Restricted Countries and Embargoed Entities
- Exports and Re-exports/Retransfers of Certain Products, Software and Technical Information
- Export Documentation, Contracts and Licensing
- Anti-Boycott Compliance

When dealing with a transaction involving one of these activities, you should turn to the relevant section of this Manual for applicable policies and procedures.

In addition to the topics listed above, this Manual discusses broader aspects of the Company's compliance infrastructure, including the following:

- Books and Records
- Compliance Due Diligence in Acquisitions and Joint Ventures Compliance Monitoring and Audit
- Compliance Training
-

Investigations and Disciplinary Action for Non-Compliance with this Manual

2.0 Important Definitions

Please keep the following definitions in mind as you review and implement the policies and procedures in this Manual.

2.1 The Chief Compliance Officer is the individual designated by Welspun as having functional responsibility for the implementation and management of the policies and procedures in this Manual and other relevant compliance policies..

2.2 A Function is a substantive area of business operation, such as finance, legal, sales, or production.

2.3 A Government Entity means any government or its subdivision, any independent government agency, or any state-owned or state-controlled business.

2.4 A Government Official includes all of the following:

- an officer or employee of any national, regional, local, or other governmental entity (for example, a government inspector, customs agent, tax official, or police officer);
- an elected official (for example, a mayor, legislator, chief minister or city council member);
- an officer or employee of any government-owned or government-controlled company (for example, an employee of a government-owned customer or government-owned joint venture partner);
- a candidate for political or elected government office or a party official;
- an officer, employee, or representative of a public international organization (for example, the World Bank, the World Health Organization, or the United Nations); or
- a private person acting in an official capacity for or on behalf of a governmental entity or any public international organization (for example, a government environmental consultant acting under governmental authority).

2.5 The International Trade Practices and Governance Working Committee refers to the committee established by Company to oversee the implementation and management of the Company's Compliance Program relating to compliance with anti-corruption and international trade laws and related policies.

2.6 Legal Department means the Legal Department of Welspun India Limited or its subsidiaries.

2.7 A Third Party Representative includes any third party that is appointed to interact with Government Officials on Welspun's behalf, or that otherwise is authorized by Welspun to represent the Company in dealings with customers or other commercial counterparties. Third Party Representatives include, but are not limited to, sales agents, customs agents, regulatory consultants, and contractors, including any officer or employee thereof.

2.8 A U.S. Person includes any United States citizen, permanent resident alien, entity organized under the laws of the United States (including foreign branches), or any person in the United States.²

2.9 Foreign subsidiaries of U.S. companies also are effectively treated as U.S. persons under the U.S. sanctions on Cuba.

2.10 Welspun or the Company refers to Welspun India Limited and its subsidiaries, including all divisions and other entities worldwide that are controlled in fact, by ownership or otherwise, directly or indirectly by Welspun India Limited.

3.0 Oversight and Sources of Guidance

3.1 Oversight of Welspun's Compliance Program

The Chief Compliance Officer and such other persons as may be authorized by the the International Trade Practices and Governance Working Committee are responsible for the implementation and management of Welspun's Compliance Program. The International Trade Practices and Governance Working Committee is responsible for reviewing and approving the content of this Manual and any substantive changes thereto.

The International Trade Practices and Governance Working Committee, and other departments or individuals authorized by the the International Trade Practices and Governance Working Committee, may approve updates and revisions to the Manual, as may be necessary from time to time.

The Chief Compliance Officer may delegate oversight responsibility to empowered officials for management and implementation of the Compliance Program. Regardless of such delegation, the Chief Compliance Officer shall ultimately be responsible for ensuring proper implementation of the Compliance Program. The Chief Compliance Officer shall consult with outside counsel with appropriate expertise as necessary for guidance and assistance regarding compliance with applicable law and implementation of this Program.

3.2 Guidance on Welspun's Compliance Program

Whether a proposed payment, engagement or transaction would violate the policies and procedures in this Manual often will depend on unique facts and circumstances. If you are unsure whether conduct would violate the Company's anti-corruption and international trade policies, you must seek guidance before proceeding further. There are many people within Welspun who can help you to understand your responsibilities, including the following:

your immediate supervisor;

the person in charge of your Function (for example, if you work in an accounting position in a manufacturing facility, this would be the facility's Finance Head);

the Unit Head;

the Regional Head;

the Legal Department; or

the Chief Compliance Officer;

Part 4: Anti-Corruption Policies and Procedures

Officers, directors and employees may not, directly or indirectly, offer, give, or authorize the offering or giving of a financial or other advantage or anything else of value corruptly to a Government Official to: (i) influence an official act or decision of the Government Official; (ii) induce the Government Official to violate a lawful duty; or (iii) induce the Government Official to influence or affect an act or decision of a Government Entity, political party, or public international organization, in order to obtain or retain business or secure an improper advantage for the Company.

Similarly, officers, directors and employees may not, directly or indirectly, offer, give, or authorize the offering or giving of a financial or other advantage or anything else of value to another person: (i) to induce that person to perform a relevant Function or activity improperly; (ii) to reward that person for having performed a relevant Function or activity improperly; or (iii) if the person's acceptance of the payment or gift would itself constitute the improper performance of a relevant Function or activity.

Additionally, employees may not accept anything of value to perform their Function improperly.

The following section of the Manual addresses a number of business activities and transactions where heightened corruption risks may arise. You must comply with the policies and procedures of this section.

Section 4.A: Retention and Monitoring of Third Party Representatives

Third Party Representatives play an important role in Welspun's business. Welspun relies on sales agents, customs agents, and other Third Party Representatives in carrying out a range of important business activities.

Misconduct by a Third Party Representative can create risk for Welspun that could lead to civil or criminal penalties or reputational harm to the Company. Therefore, care must be taken when selecting and monitoring the activities of sales agents and other Third Party Representatives.

1.0 Policy

In determining whether to engage a particular Third Party Representative, Welspun must consider factors such as the Representative's reputation and qualifications, the manner and reasonableness of compensation and any relationship between the Representative and a Government Official.

1.1 Know your Third Party Representative. It is the responsibility of every Welspun employee to know your Third Party Representative. The responsible Welspun employee who wishes to engage the Third Party Representative must confirm that the Representative has a reputation for integrity and does not appear to be involved in illegal or unethical activities. In this regard, the responsible Welspun Employee may carry out a due diligence of such Third Party Representative. The Procedures below provide details on the due diligence and certification process.

1.2 Hold Third Party Representatives to our ethical standards. Misconduct by Third Party Representatives creates risk for Welspun and for any Welspun employee(s) who are involved. Every Welspun employee interacting with a Third Party Representative should ensure that such Third Party Representative also adheres to Welspun's compliance policies.

1.3 Legitimate services only. No payment may be made or promised to a Third Party Representative except in exchange for legitimate services. Any such payment must be in an amount that is not greater than the fair value of the legitimate services received. All payments must conform to the requirements of local law.

1.4 Report red flags. While Welspun's relationship with each Third Party Representative must be evaluated on its specific facts, there are several red flags that may signify a heightened risk to Welspun and that require special scrutiny. Employees who interact with Third Party Representatives must be trained to detect red flags. The red flags must be reported to the Chief Compliance Officer if a current or proposed Third Party Representative is involved.

2.0 Procedures

2.1 Written contracts. All relationships with Third Party Representatives as far as possible and practicable must be governed by written contracts that include a description of the scope of services to be provided and the manner and amount of compensation. A copy of the signed contract must be retained in the Company's files..

2.2 Anti-corruption contract provisions. Unless otherwise directed by the Legal Department, all agreements with Third Party Representatives must contain anti-corruption contractual provisions in the form approved by the Legal Department.

2.3 Submission of Third Party Representative invoices. Third Party Representatives are required to submit accurate invoices and receipts and other supporting documentation to substantiate all disbursements or expenses incurred when conducting business on behalf of Welspun. Invoices and supporting documentation must be sufficiently detailed to identify the nature and cost of each good or service provided to the Third Party Representative. Reimbursements must be paid directly to the Third Party Representative.

3.0 Responsible Persons

All employees who interact with Third Party Representatives are required to be alert for red flags and report any suspicious conduct. Managers or designated employees are responsible for conducting integrity due diligence and the Chief Compliance Officer is responsible for reviewing the integrity due diligence and providing approval and oversight..

Section 4.B: Gifts

1.0 Policy

Gift-giving is an important part of many cultures. Properly controlled, a modest gift provided to a business counterparty can express respect and can help build a legitimate business relationship with the recipient.

While the legitimate and occasional provision of a modest gift can be an acceptable business practice, gift-giving can be subject to abuse and can expose the Company to legal and reputational harm. The giving of a gift is particularly sensitive when a Government Official is the recipient, or when the recipient exercises influence over a commercial decision, such as the award of a tender, that is important to Welspun.

Welspun employees and Third Party Representatives accordingly must exercise caution when giving a gift to a Government Official or any other commercial counterparty, and must comply with the following policies and procedures.

1.1 No quid pro quo. A gift may not be given or offered, directly or indirectly, if it could reasonably be expected to affect the outcome of a government decision or a business transaction, or to confer an unfair advantage on Welspun. No gift, regardless of its value, may be provided to a Government Official or other counterparty if it could create the appearance of impropriety.

1.2 Basic requirements. Unless specifically approved by the Chief Compliance Officer or other empowered official, a gift may be provided to a Government Official, customer, or other counterparty only if it meets all of the following requirements:

- customary or symbolic and given as a courtesy, in return for hospitality, or as a token of respect;
- appropriate for the occasion;
- in accordance with the local business customs and not prohibited under
- local law;
- not provided more than once per quarter to the same person or the same
- government department;
- permissible under the guidelines of the employer or governmental agency
- involved, of which Welspun is aware;
- presented openly and with transparency;
- properly recorded in Welspun's books and records;
- of a nature that would not embarrass Welspun if publicly disclosed; and
- not provided in proximity to a pending decision before the recipient's
- organization regarding Welspun's business interests.

For gifts below the pre-approved limit, the individual making the gift should ensure the basic requirements are complied with. For gifts above the pre-approved limit, the head of the Finance Department at the relevant location shall ensure the basic requirements are met. A business unit, subsidiary, country or facility may, subject to prior written approval of the Chief Compliance Officer, establish appropriate limits in order to reflect the cost levels in local markets.

1.3 Customary gifts. Generally, gifts should showcase the Company's products or contain the Company logo. Gifts that appear on the White List of Approved Gifts (White List) (Form A) are preferred.

1.4 Expenditure limits for gifts. The aggregate value of gifts provided to a Government Official or other counterparty in a financial year may not exceed the preapproved limit (or the equivalent) without the approval of the Finance Department at the relevant location. A business unit, subsidiary, country or facility may, subject to prior written approval of the Chief Compliance Officer, establish appropriate limits in order to reflect the cost levels in local markets.

1.5 Policy extends to families of Government Officials. The policies and procedures in this section also apply to gifts that are provided on behalf of Welspun to the immediate family members (spouse, dependent children, and dependent parents) of Government Officials who are currently dealing with Welspun or reasonably expected to deal with Welspun in the near future.

2.0 Procedures

2.1 No prior approval required for Welspun items or customary gifts of modest value. Gifts of a modest value and bearing the Welspun logo, or customary gifts appearing on the White List, do not require prior approval so long as the aggregate value of the gift(s) provided to a Government Official or other counterparties on each occasion does not exceed preapproved limit, in a financial year.

2.2 Approval required for certain gifts. Any proposed gift that does not appear on the White List or is not of a modest value bearing the Welspun logo, or that is more than the preapproved limit must be reviewed and approved in writing in advance by the Finance Department at the relevant location. Pre-approval of the Chief Compliance Officer is required for gifts that are not listed on the White List.

3.0 Responsible Persons

Every Welspun employee is responsible for ensuring that all gifts comply with the policies and procedures set forth in this section. The employee giving a gift to a Government Official or other counterparty is responsible for ensuring that evidence of any necessary written approval is maintained. The Finance Department at the relevant location is responsible for approving gifts to Government Officials or other counterparties that are above certain limits and also accounting for all gifts properly in the Company's books and records. The Chief Compliance Officer is responsible for providing pre-approval for gifts as required above.

Section 4.C: Travel and Accommodation (Boarding and Lodging)

1.0 Policy

Welspun employees are prohibited from providing travel and accommodation (boarding and lodging) to Government Officials and other counterparties unless directly related to a legitimate business purpose and appropriate under the circumstances. Furthermore, travel and accommodation may not be provided to Government Officials or other counterparties if doing so would violate applicable anti-corruption laws, the internal rules of the recipient's organization of which Welspun is aware, or the Company policies set forth below.

In limited circumstances, as described below, it may be appropriate for Welspun to pay for the travel, accommodation and related expenses of Government Officials or other counterparties in connection with a visit to a Welspun facility or project site.

1.1 No quid pro quo. Travel and accommodation may not be provided or offered, directly or indirectly, to a Government Official or other counterparty if it could reasonably be expected to affect the outcome of a government decision or business transaction, or to confer an unfair advantage on Welspun.

1.2 Basic requirements. Travel and accommodation may be provided to Government Officials or other counterparties only under the following circumstances:

- the travel is for a legitimate business purpose that is related to the party's performance of his or her lawful duties, such as performing an inspection, technical audit, or pre-qualification;
- the expenditure, duration, and nature of the travel and accommodation is reasonable given the party's seniority and the specific business purpose;
- no friends or immediate family members (spouse, dependent children, and dependent parents) of the party are traveling at Welspun's expense;
- no stopovers or sightseeing are planned that are not directly connected to the business purpose of the travel, unless the stopover or sightseeing is at the expense of the party and results in no additional cost to Welspun;
- the expenditure is not prohibited under the local law of the party's country;
- the expenditure is permissible under the internal rules of the party's employer of which Welspun is aware; and
- The class and cost of travel is consistent with Company allowances for travel by Company personnel.

A business unit, subsidiary, country or facility may, subject to prior written approval of the Chief Compliance Officer, establish appropriate limits in order to reflect the cost levels in local markets

1.3 Travel provided to customers. Travel provided to customers must comply with the policies and procedures in this section and must be within the scope of the agreement between the customer and Welspun or specifically approved by the Chief Compliance Officer or empowered official.

1.4 Welspun guesthouses and vehicles. Whenever possible, accommodation provided to Government Officials or other counterparties should be in Welspun guesthouses and

transportation should be provided in the Company's regular vehicles, in each case at a standard comparable to that provided to employees of Welspun.

1.5 Proper documentation for invoices. All reimbursement requests for travel and accommodation provided to Government Officials or other counterparties must be accompanied by supporting documentation.

1.6 Application to indirectly-funded travel. These policies and procedures apply whether the expenses related to travel or accommodation are paid directly or indirectly by Welspun -- such as travel paid in the first instance by a sales agent and reimbursed by Welspun.

2.0 Procedures

2.1 Prior approval required. All travel, accommodation and related expenses that are incurred on behalf of any Government Official or other counterparty, costing more than the pre-approved limits must be approved in advance by the Finance Department at the relevant location.

2.2 Pay vendors directly. Payment of travel, accommodation and related expenses by Welspun should be made directly to the airline, hotel, or other vendor whenever possible. When that is not practical, travel expenses may only be reimbursed against appropriate receipts or equivalent supporting documentation. Money may not be transferred to a Government Official or other counterparty on the understanding that the party will arrange for his or her own travel.

2.3 Third Party Invoices. These procedures also apply if a Third Party Representative arranges for the travel or accommodation of a Government Official or other counterparty in connection with its representation of Welspun. The Third Party Representative must identify when an invoice includes travel expenses for Government Officials or other counterparties that were incurred on Welspun's behalf, specify all such expenses, and provide supporting documentation.

3.0 Responsible Persons

Each Welspun employee is responsible for ensuring that all travel and accommodation provided to a Government Official or other counterparty complies with the policies and procedures set forth in this section. The Finance Department at the relevant location is responsible for approving certain expenditures and properly accounting for travel and accommodation in the Company's books and records. The Chief Compliance Officer or empowered official is responsible for approving travel involving customers.

Section 4.D: Meals, Entertainment and Other Hospitality

1.0 Policy

Employees may not provide meals and entertainment to Government Officials or other counterparties if doing so would violate applicable anti-corruption laws, the internal rules of the recipient's organization of which Welspun is aware, or Company policies. Business meals that are provided in connection with legitimate business activities generally are permissible, provided the meal is not furnished in exchange for some business advantage. Entertainment expenses are generally discouraged.

Because lavish meals and entertainment can create an appearance of impropriety, Welspun employees and representatives must exercise caution when providing meals, entertainment and other hospitality to Government Officials and other counterparties.

1.1 No quid pro quo. Meals, entertainment and other hospitality may not be provided or offered, directly or indirectly, to a Government Official or other counterparty if it could reasonably be expected to affect the outcome of a government decision or a business transaction, or to confer an unfair advantage on Welspun.

1.2 Basic requirements. Welspun and its representatives may pay for or provide a meal or non-meal entertainment to a Government Official or other counterparty only if it meets all of the following requirements:

- provided in connection with legitimate business activities;
- in accordance with the local business customs and not prohibited under local law.
- consistent with the internal guidelines of the recipient's employer or governmental agency, which Welspun knows or understands;
- reasonable in value and not excessive;
- infrequent; and
- of a nature that would not embarrass Welspun if publicly disclosed.

For meals below the preapproved limit, the individual arranging the meal shall ensure the basic requirements are complied with. For meals above the preapproved limit the Finance Department at the relevant location shall ensure the basic requirements are met. The threshold limits for non-meal entertainment shall be established with the prior approval of Chief Compliance Officer. Expenditures above this threshold require prior written approval of the Finance Department at the relevant location.

1.3 Presence of at least one Welspun employee or Third Party Representative. Because the purpose of a business meal is to facilitate business communications and foster better business relations, at least one Welspun employee or Third Party Representative must be present at the meal.

2.0 Procedures

2.1 Prior approval for meals and non-meal entertainment. Meals and non-meal entertainment provided to Government Officials or other counterparties that cost more than the limits specified must be approved in advance by the Chief Compliance Officer / Finance Department at the relevant location.

2.2 Expense reports. When filling out an expense report, Welspun employees must indicate whether the reimbursement request is for expenses relating to a Government Official. All expenses must be properly documented to reflect:

(i) the business purpose of the expenditure; (ii) the recipient; (iii) the recipient's organization and position; (iv) the cost of the meal or entertainment; (v) the location of the meal or entertainment; and (vi) the Welspun employee(s) present. If prior approval was required, the expense report should note the individual who approved the expense and the date.

2.3 Third Party Representative invoices. Third Party Representatives must identify whether an invoice includes meals or entertainment provided to a Government Official and must otherwise comply with the expense reporting requirements under Welspun policy.

3.0 Responsible Persons

Every Welspun employee is responsible for ensuring that any meal, entertainment or other hospitality provided to a Government Official or other counterparty complies with the policies and procedures set forth in this section. The Finance Department at the relevant location is responsible for approving certain expenses and accounting for meals, entertainment and other hospitality properly in the Company's books and records.

Section 4.E: Charitable Contributions Involving Government Officials or Government Entities

1.0 Policy

Welspun is committed to corporate social responsibility and to participating in charitable activities that benefit the communities surrounding the Company's locations. Donations requested by or on behalf of a Government Official or a Government Entity must be approached with care, however, to ensure that the donation would not confer a personal benefit on a Government Official.

The following policies and procedures must be followed with respect to any charitable contribution that: (i) is requested by a Government Official; (ii) is requested on behalf of a Government Official, where the responsible Welspun employee has knowledge of the Government Official's role; (iii) would support the activities of a Government Entity; or (iv) has some other known connection to a Government Official or Government Entity.

1.1 No quid pro quo. Charitable contributions may never be provided or offered as part on an exchange of favors with any Government Official or to obtain some benefit for Welspun, even if the recipient is a bona fide charity. If a Government Official has promised any benefit, or issued any threat, in connection with a donation request, the donation request must be denied.

1.2 Legitimate purpose. Charitable contributions may only be made for a legitimate and transparent capacity-building purpose or in response to a compelling humanitarian need.

1.3 Welspun Foundation for Health & Knowledge. Generally, charitable donations and corporate social responsibility activities are to be conducted through the Welspun Foundation for Health & Knowledge (Welspun Foundation), subject to the Foundation's policies and legal requirements.

When an individual business unit seeks to engage in a charitable activity independently, the business unit is responsible for informing the Welspun Foundation regarding the charitable activity.

1.4 Compliance with local law. Charitable contributions must comply with local law and any applicable industry codes.

1.5 No charitable contributions to individuals. Charitable contributions may be made only to institutional accounts of legitimate and recognized organizations or entities. Welspun may never make a charitable contribution to a Government Official or to any personal bank account.

2.0 Procedures

2.1 Written request. All requests for charitable contributions must be in writing.

The request should include the following information: (i) the name, address and mission of the organization; (ii) a statement of need; (iii) the project name or purpose for which the contribution is requested; (iv) the project's overall profile, goals and objectives; (v) the amount of the request; and (vi) a statement that all funds/resources donated by Welspun will be used solely for the stated purpose.

2.2 Due diligence. The responsible employees must complete the Charitable Contribution Due Diligence.

2.3 Review and approval. Advance review and approval by the Chief Compliance Officer or other empowered official is required for all proposed contributions that involve a Government Official or Government Entity for processing per its defined charitable activities.

2.4 Evidence of receipt. Welspun must obtain evidence of receipt for each Government-related charitable contribution that it makes. The Welspun employee interacting with the organization is responsible for obtaining a receipt and providing it to the Finance Department.

2.5 Publication. Whenever possible, charitable contributions should be publicized in a manner appropriate in the local market.

3.0 Responsible Persons

Each Welspun employee is responsible for ensuring that any charitable contribution involving a Government Official or a Government Entity complies with the policies and procedures set forth in this section. The Chief Compliance Officer or other empowered official shall approve all contributions subject to these policies. The head of the Finance Department shall ensure that all such contributions are properly accounted for in the Company's books and records.

Section 4.F: Political Contributions

1.0 Policy

Welspun prohibits all political contributions using Company funds, unless the political contributions are legal under applicable law, are consistent with the policies in this Manual, and approved in advance by the Chief Compliance Officer and the Board of Directors. This policy applies to any Welspun funds or resources used to make or reimburse a contribution to any political party, committee or candidate for office, whether national, state or local and covers direct contributions as well as indirect assistance or support through purchasing tickets to political fundraising events or providing goods, services or equipment for fundraising or other campaign purposes.

Section 4.G: Suppliers, Vendors & Other Third Parties, specifically recommended by Government Officials

1.0 Policy

Welspun sources a range of goods, services and materials from suppliers around the world. Employees must be alert when a Government Official attempts to steer or pressure Welspun to select a favored supplier, vendor or other third party. This may reflect an effort to benefit from an undisclosed relationship between the Government Official and a particular supplier, vendor or other third party. The following policies govern Welspun's selection and retention of suppliers and vendors.

1.1 No quid pro quo. Welspun may never select a particular supplier, vendor or other third party in order to gain influence with a Government Official.

1.2 Be alert if a Government Official recommends a particular supplier, vendor or other third party. When engaging or managing suppliers, vendors and other third parties, Welspun employees must be alert for signs that a supplier, vendor or other third party may have a special relationship with a Government Official. Enhanced diligence is required under these circumstances. If a Government Official attempts to steer or pressure Welspun to select a particular supplier, vendor or other third party, you may not engage that supplier, vendor or third party without the prior written approval of the Chief Compliance Officer or other empowered official.

1.2.1 Exception for government-approved vendors on public lists. Pre-approval of the Chief Compliance Officer is not required for vendors that appear on public and transparent lists of certified, registered or pre-approved companies that are maintained by Government Entities in the absence of any indication of possible corrupt interest of the Government Official who recommends a specific vendor.

1.3 Direct payment. Payment must go directly to the supplier or vendor providing the goods or service.

2.0 Procedures

Suppliers, vendors and other third parties specifically recommended by a Government Official must comply with the procedures listed herein, or comparable procedures as directed by the Chief Compliance Officer.

Section 4.H: Employment Requests from Government Officials

1.0 Policy

Offers of employment by Welspun to sitting Government Officials, their immediate family (spouse, dependent children, and dependent parents) or candidates recommended by Government Officials present a compliance risk since such offers may be viewed as conveying a benefit or something of value to a Government Official. Caution must be exercised to ensure that offers of employment, including internships and part-time positions, extended to Government Officials, their immediate family or candidates recommended by Government Officials are awarded on the basis of merit and qualifications assessed through Welspun's normal hiring process and not based simply on connections.

1.1 No quid pro quo. Welspun may not extend an offer of employment to a Government Official, relative of a Government Official or candidate recommended by a Government Official if the offer of employment could reasonably be expected to affect the outcome of a government decision or a business transaction or to confer an unfair advantage on Welspun.

1.2 No special treatment. Government Officials, the immediate family of Government Officials (spouse, dependent children, and dependent parents) and candidates recommended by Government Officials cannot be given special preference and must go through Welspun's normal hiring process.

1.3 Pre-approval. Discussions with sitting Government Officials about employment opportunities at Welspun must be pre-approved in writing by the Chief Compliance Officer and must occur in accordance with local law and the internal rules of the Government Officials organization of which Welspun is aware, including making any required disclosures to the candidate's employer.

1.4 Policies apply to Third Party Representatives. Employees may not pressure Welspun's Third Party Representatives, including agents, contractors, and vendors, to hire someone recommended by a Government Official unless the requirements of this policy are satisfied.

Section 4.I: Facilitating Payments

A facilitating payment is a payment made to a government official in order to expedite or secure the processing of routine paperwork or the performance of a similar routine governmental action. Examples include:

- obtaining a license to do business
- processing a visa
- scheduling an inspection
- securing mail pick-up or delivery
- getting utilities such as power or phones connected
- moving perishable goods through customs.

A facilitating payment always involves a non-discretionary duty. A payment that is intended to affect the ultimate outcome of a government decision is not a facilitating payment. Thus, payments to secure a contract, or to induce an inspector to overlook the results of a

inspection, or to obtain a license to which the company is not properly entitled, are no facilitating payments.

1.0 Policy

Facilitating payments are discouraged. A facilitating payment may only be made where approved by the Chief Compliance Officer or empowered official if all of the following circumstances are present:

1.1 No reasonable alternative. If there is any reasonable alternative for securing the required routine governmental action, or if any expected delay can reasonably be accommodated, the facilitating payment may not be made.

1.2 Nominal in amount. Facilitating payments must in all circumstances be nominal in amount.

1.3 Consistent with local law and not otherwise prohibited by applicable law. A facilitating payment must be consistent with applicable local law where the payment is made.

1.4 Isolated and non-recurring. Facilitating payments should not be recurring in nature or be repeated such that the aggregate amount is greater than a nominal amount.

2.0 Procedures

2.1 Reporting; approval. A facilitating payment may only be made if it is approved by the Chief Compliance Officer or empowered official. Approval should be obtained in advance in writing.

2.2 Accurate accounting. Facilitating payments must be described and recorded in the appropriate accounting books and records of the Company with sufficient specificity to permit auditors to identify such payments.

Part 5: International Trade Policies and Procedures

It is the policy of Welspun to conduct its business in compliance with all applicable laws, regulations and orders imposing trade sanctions on countries, individuals or entities and/or regulating the export, reexport, transfer, disclosure or provision of commodities, software, technology or services, including, as applicable: (i) U.S. restrictions pursuant to the Foreign Assets Control Regulations (30 C.F.R. Parts 500-599), the Export Administration Regulations (EAR, 15 C.F.R. Parts 730-774), the International Traffic in Arms Regulations (ITAR, 22 C.F.R. Parts 120-130); (ii) E.U. and E.U. Member State export controls administered pursuant to Council Regulation (EC) 428/2009, economic and financial sanctions or restrictive measures imposed pursuant to EC Regulations, and similar national export control and sanctions measures of member states; and (iii) similar export control and sanctions laws, regulations and orders of India and other jurisdictions to the extent applicable.

Section 5.A: Embargoed and Restricted Countries and Embargoed Entities

1.0 Policy

Welspun is committed to compliance with all international trade laws applicable to its operations around the world. It is Company policy not to engage in new and future business with certain embargoed countries, governments, and parties, including export-import trade, investment and other dealings. Business and other dealings with certain other restricted countries and parties is subject to review and approval by the Chief Compliance Officer in consultation with the International Trade Practices and Governance Working Committee, as appropriate.

All new customers, agents, suppliers, distributors, vendors and other third parties must be screened against lists of countries, companies, entities and individuals subject to trade restrictions, including, as applicable, the Government of India's Embargoed / Sanctioned Countries List, U.S. Embargoed / Sanctioned Countries List, the U.N. Embargoed / Sanctioned Countries List, the U.S. Specially Designated Nationals and Blocked Persons List (SDN List), the E.U. Consolidated List, and the U.N. Consolidated List. Additionally, information on the end-user and ultimate destination for every project must be known by the manager in charge of the project and must be properly recorded in the Company's SAP business management software system.

Welspun employees must take care to determine the identity and understand the background of counterparties before pursuing business opportunities and entering into new engagements.

1.1 Embargoed countries. All new and future business and other dealings, direct and indirect, with any party associated with embargoed countries and their Governments are expressly prohibited. This prohibition on business and other dealings with embargoed countries and governments applies to Welspun employees and entities worldwide.

1.1.1 Hiring individuals or entities from embargoed countries. If Welspun operates in a jurisdiction where local law affirmatively requires it to comply with a condition of employing nationals or entities from one or more of the embargoed countries, approval from the Chief Compliance Officer or the Legal Department must be received before any action is taken that may be in violation of this policy, to help ensure compliance with all relevant laws and obligations of the Company. In no circumstances will Welspun be permitted to employ or engage Government Officials or Government Entities of an embargoed country or other parties subject to restriction under applicable law.

1.2 Restricted countries. All new and future business and other dealings with restricted countries and their governments are generally prohibited, unless approval is received from the Chief Compliance Officer or Legal Department.

1.3 Embargoed entities. Various lists maintained by the United States, European Union and United Nations identify companies, groups and individuals that are subject to trade sanctions. These entities are identified for having been involved in activities such as weapons proliferation, terrorism, narcotics trafficking and other sensitive activities, and Welspun policy therefore prohibits engaging with any such entities, as applicable under relevant jurisdictions.

1.4 Application of U.S. international trade laws. Supplementing Welspun's policy outlined above, in Sections 1.1-1.3, on dealings with certain identified markets and governments, it should be noted that economic sanctions laws and regulations administered by the U.S. Government must be strictly followed: (i) in any transaction by or involving Welspun's U.S. entity; and (iii) in all activities involving any U.S. person (including U.S. entities and individual U.S. nationals). Any questions about the scope or impact of these measures should be addressed to the Legal Department.

2.0 Procedures

2.1 Screening. The relevant Function within Welspun that is involved in engaging a customer, supplier, distributor, agent, vendor or other third party (including new employees) is responsible for screening the counterparty against the applicable lists of companies, groups and individuals subject to trade restrictions that are maintained by the U.S., E.U., U.N., and any other applicable jurisdictions including such parties subject to U.S. restrictions pursuant to the Foreign Assets Control Regulations, the Export Administration Regulations and the International Traffic in Arms Regulations.

2.1.1 Scope and responsibility. The relevant Function within Welspun that is involved in engaging the counterparty is responsible for the screening.

The Finance Department is responsible for supporting screening by the relevant Function, monitoring compliance with this requirement, and retaining results of the screening. The Finance Department may also make software available to the relevant Function for use in carrying out the required screening.

2.1.2 Employee responsibilities. The Welspun employee responsible for the engagement or transaction must ensure that accurate information is collected on the individual or entity being engaged (such as full name and proper spelling) and such information must be provided to the Finance Department if the Finance Department is conducting the screening on behalf of the relevant Welspun Function.

2.2 Information on end-user and end destination. The Sales and Marketing Department must collect information on end-user, end-use and ultimate destination for every project and ensure that no project involves any embargoed country, government or party as described in the policies above. If a project takes place in a restricted country, approval from the Chief Compliance Officer or Legal Department is required and special attention must be given to whether the project involves any U.S.-content, products or technology or involvement of any U.S. person.

2.3 Notification of high risk indicators. If a proposed transaction involves any high risk indicator, it must be reviewed and approved by the Chief Compliance Officer or Legal Department prior to proceeding. High risk indicators include factors such as the following:

- Indication of parties associated with embargoed or restricted countries;
- if the circumstances of the transaction or parties suggest a risk of diversion to an embargoed or restricted country or end-user;
- if there are suspicious or questionable circumstances involved in a sale, such as a lack of customary information about a proposed transaction, a request to use an unusual route for shipment or unusual product specifications that are inconsistent with the customer's stated end-use of the product; or
- other red flag indicators.

2.4 International trade contract provisions. Unless otherwise directed by the Legal Department, all agreements with Third Party Representatives, customers, vendors, shippers and suppliers must contain international trade contractual provisions finalized by the Legal Department.

3.0 Responsible Persons

All Welspun employees are prohibited from conducting business or other dealings with embargoed countries and entities. Welspun employees are also required to seek approval from the Chief Compliance Officer or the Legal Department prior to engaging in business or other dealings with restricted countries. The relevant Function within Welspun that is involved in engaging a customer, supplier, distributor, agent, vendor or other third party is responsible for conducting screening against applicable lists maintained by the U.S. government as well as the E.U., U.N., and other applicable jurisdictions. The Finance Department is responsible for supporting this screening, as necessary, and retaining the results from the screening. The Sales and Marketing Department is responsible for collecting information on end-user, end-use and ultimate destination for every project.

The Chief Compliance Officer and the Legal Department are responsible for reviewing proposed engagements involving restricted countries and entities.

Section 5.B: Exports, Re-exports / Retransfers of Certain Products, Components, Software and Technical Information

Welspun is committed to complying with all applicable laws governing the transfer or release of goods or technology, including applicable export and reexport licensing requirements and restrictions on transfers that may raise end-use or end-user concerns. This includes full compliance with the applicable laws and regulations of the United States, the European

Union, India, and other jurisdictions that impose limitations on exports and international trade.

Restrictions on the export, re-export and transfer of items are imposed by various countries according to the type of product or technology at issue as well as the end-user and end-use of the item. Any transaction involving U.S.-origin items or content or U.S. persons must comply with U.S. international trade laws.

The laws of other jurisdictions also apply to Welspun and the Legal Department and Export/Import Department should be contacted with any questions and for information or other applicable laws.

Whenever Welspun is purchasing items from the European Union or other jurisdictions outside the United States, the Export/Import Department should pay attention to all jurisdictions involved, the relevant regulations and other applicable national rules. The Legal Department should be consulted with any questions.

The Welspun employee(s) responsible for a project with a customer and the export of Welspun's products from any location should ensure answers to the following questions have been obtained, on a purchase order or other documentation:

- Is the product subject to the export jurisdiction of the United States or another jurisdiction (i.e., determine the origin/manufacture of the products and whether there is any U.S. content)?
- What is the product being exported by Welspun and does it have any sensitive uses?
- What is the export control classification of the item?
- What is the country of ultimate destination?
- Who is the ultimate end-user?
- What is the ultimate end-use for the product?

Evaluation of shipments and intra-company transfers. All shipments and intra-company transfers of technology, raw materials and finished products should be evaluated in connection with the applicable international trade laws prior to transfer. Any cross-border transfers or shipments must be carefully reviewed to ascertain the nature of the product, component, equipment, software or technology and compliance with applicable international trade laws. Any questions should be directed to the Legal Department.

Screening. Prior to export, the Export/Import Department is responsible for coordinating with the relevant Function within Welspun that is involved in engaging the counterparty to ensure screening has been conducted against the applicable lists of companies, groups and individuals subject to trade restrictions that are maintained by the U.S., E.U., U.N., and any other applicable jurisdictions including such parties subject to U.S. restrictions pursuant to the Foreign Assets Control Regulations, the Export Administration Regulations and the International Traffic in Arms Regulations.

Responsible Persons

All Welspun employees must comply with applicable laws governing exports and reexports of products, components, software and technical information. The Legal Department is responsible for determining the classification of Welspun's products according to the EAR

and ITAR, and for developing and maintaining a product matrix in consultation with the relevant departments. The Export/Import Department must be aware of the countries and jurisdictions involved in a transaction and ensure the end-user has been screened against the applicable lists and relevant information collected. The Legal Department is responsible for assisting employees in complying with the policies and procedures of this section.

Section 5.C: Export Documentation, Contracts and Licensing

1.0 Policy

Proper export licensing and documentation procedures must be followed with respect to all exports/reexports from any country to ensure that they are conducted in accordance with the laws of the country from which the export/reexport occurs and any other laws that might apply. For example, U.S. law requires that exports from the U.S. satisfy certain documentation and other requirements, including, when necessary, the use of a destination control statement on shipping documents and the completion and filing of a Shipper's Export Declaration / Electronic Export Information (i.e., an Automated Export System record related to an export transaction). In addition, in some cases, it is necessary to apply for and receive prior approval from U.S. governmental agencies for the export/reexport or transfer of certain products or technologies or for sales to certain destinations. Governments of other countries have similar export procedures that must also be followed wherever applicable.

All Welspun personnel who are involved in the exportation or importation of products, including the preparation of export or import documentation, must receive appropriate training by the Legal Department and/or the Export/Import Department to assure that they understand the requirements associated with exporting products from or importing products into their respective country.

1.1 Embargoed countries. Welspun will not ship or transship products to any of the embargoed countries.

1.2 International trade contract provisions. Unless otherwise directed by the Legal Department, all agreements with customers, Third Party Representatives, shippers and suppliers must contain international trade contractual provisions in the form approved by the Legal Department.

1.3 License requirements. All transfers of products, components, services, or information (e.g., technology, know-how, etc.) must comply with all applicable licensing, export clearance and other related requirements. This requirement also applies to the in-country release of proprietary U.S. technology to third-country nationals in the United States.

1.4 Shipments. Where a license or other approval is required in order to ship or transship products or components to a specific country or end-user, Welspun will not ship or transship the products or components until the appropriate license or other approval is obtained.

1.5 Recordkeeping. The Export/Import Department shall keep records of all export documentation of the related shipment or activity.

Section 5.D: Anti-Boycott Compliance

1.0 Policy

Welspun is committed to complying with U.S. anti-boycott laws and regulations as applicable to Welspun. The U.S. anti-boycott laws administered by the U.S. Commerce Department apply to activities in the interstate or foreign commerce of the United States of U.S. persons, including persons located in the United States, U.S. citizens wherever located, companies organized under U.S. law and their non-U.S. branches, and controlled-in-fact subsidiaries, as defined in the Commerce anti-boycott regulations. Separate anti-boycott provisions are administered through the U.S. tax code, which apply to all U.S. tax payers (and certain of their related companies). It is Welspun's policy not to agree to or cooperate with boycott-related requests that would be prohibited or penalized under applicable U.S. anti-boycott laws and regulations, and to comply with required reporting obligations under U.S. anti-boycott laws and regulations.

1.1 Prohibited Conduct. U.S. anti-boycott laws and regulations may apply to requests to enter into agreements, take other actions, or furnish information supportive of a boycott.

In addition, entry into certain types of boycott participation agreements may be penalizable under the Treasury anti-boycott regulations.

1.2 Exceptions. There are some limited exceptions in the U.S. anti-boycott laws. The Commerce anti-boycott laws allow companies incorporated in boycotting countries to comply or agree to comply with certain laws of that country with respect to activities conducted exclusively within that country..

Guidance from the Legal Department should be obtained wherever necessary.

1.3 Reporting Requirements. Entities subject to U.S. anti-boycott laws are required to report certain boycott-related requests to the relevant U.S. government agencies according to specified deadlines. Reporting standards are in some cases different from the prohibited conduct standards listed above.

1.4 Penalties. The anti-boycott laws and regulations impose a range of sanctions, which include criminal and civil penalties and the loss of tax benefits.

Penalties also may be imposed for a failure to file required boycott-related reports with the relevant U.S. government agencies, even if the boycott request being reported has been rejected.

2.0 Procedures

All Welspun employees at all locations must follow the procedures outlined below, unless specifically exempted from these requirements after the completion of an internal review. If you have any questions, please contact the Legal Department.

2.1 Review communications. All employees must carefully review all oral and written communications received including, but not limited to, e-mails, contracts, purchase orders, letters of credit, import documents, invoices, and requests for information to determine whether any boycott language is present.

2.2 Referral of boycott request. If employees identify any potential boycott language, the transaction should be placed on hold immediately and, within seven working days of the receipt of the language, the matter should be referred to the Chief Compliance Officer or empowered official for evaluation and guidance.

2.3 Respond/Report. The Chief Compliance Officer or other empowered official will provide instructions on how to proceed. Where a boycott request or requirement is made, guidance from the Chief Compliance Officer or empowered official should be obtained to determine whether Welspun may proceed with the related transaction.

2.4 Recordkeeping. Boycott-related requests and related documentation, including any reports filed with the U.S. government, must be maintained by the Chief Compliance Officer or empowered official.

3.0 Responsible Persons

Welspun employees are responsible for adhering to the Company's policy regarding boycott requests and for reporting communications containing boycott-related language to the Chief Compliance Officer or empowered official for evaluation and guidance. The Chief Compliance Officer is responsible for reviewing boycott requests, providing instructions on how to proceed, and taking further action, as necessary, to disclose such requests to the relevant U.S. government agencies.

Part 6: Compliance Infrastructure

Section 6.A: Books and Records

1.0 Policy

Welspun employees are required to maintain detailed and accurate records of the disposition of the Company's assets. All transactions, regardless of amount, must be recorded properly to permit accounting and financial reporting in accordance with the Generally Accepted Accounting Principles (GAAP) and to maintain accountability. No false or misleading entries may be made in the books and records of Welspun. Personal funds may not be used to accomplish what is otherwise prohibited by Welspun policy.

In addition:

Welspun employees must maintain accurate documentation of the transactions described in this Manual.

Off-the-books accounts and inadequately identified transactions are strictly prohibited. No undisclosed or unrecorded assets may be established.

Payments must not be made into anonymous bank accounts or other accounts not in the name of the payee or of an entity known to be controlled by the payee.

Except for regular, approved cash payroll payments and normal disbursement from petty cash, supported by signed receipts or other appropriate documentation, payments must not be made in cash.

No expenses will be reimbursed to persons or companies assisting Welspun in obtaining or retaining business unless the expenses are supported by reasonable written documentation.

The requirement to properly record all transactions fairly and accurately extends to all original documents, including invoices, receipts and expense reports.

2.0 Procedures

The Chief Financial Officer or other designated Finance Department official, in conjunction with the Chief Compliance Officer, is responsible for the following:

Review and Approval

2.1 Maintaining accurate and detailed books and records and otherwise implementing this Books and Records policy.

2.2 Reviewing accounting records and monitoring for inaccuracies or deceptive entries that may disguise illegal payments.

2.3 Establishing a written list of documents and records that must be maintained in order to ensure compliance with this Manual and the recordkeeping provisions of applicable anti-bribery laws such as the FCPA.

2.4 Reviewing in advance of the issuance or transfer of reimbursement funds, detailed information regarding the nature of the payment for which reimbursement is requested. This information must be kept on file at the paying location.

2.5 Reviewing in advance any request to make payment to a Third Party Representative, supplier or vendor, that will be made outside of either the country where a substantial portion of the related services are performed or the country from which the person performing the services normally conducts business. Such payments can be made only if preapproved in writing by the Chief Compliance Officer or empowered official.

2.6 Reviewing in advance requests for payments for any services rendered by a Government Official, including honorarium payments and reimbursement of expenses. Such payments require advance approval in writing by the Chief Compliance Officer or relevant empowered official, and should only be made to the government authority employing the individual by check or wire to its named bank account.

Section 6.B: Compliance Due Diligence in Acquisitions and Joint Ventures

1.0 Policy

When Welspun acquires, invests in or partners with another company, the due diligence performed on the target or partner must include a compliance assessment to identify and assess the corruption and international trade risk profile of the target company or partner.

2.0 Procedures

2.1 Due diligence. For any target company or joint venture partner, Welspun's pre-acquisition due diligence must include an anti-corruption and international trade component that is designed to identify and assess potential risks. The due diligence process should be tailored to account for likely risks facing the target company or joint venture partner, including the level of perceived corruption in the foreign market(s) where the target company or partner does business, the product and customer mix, the sales practices, and other factors specific to the target company or joint venture partner. The Welspun employees conducting due diligence on a target company or joint venture partner are responsible for ensuring that a compliance review of the target or joint venture partner is conducted. The Chief Compliance Officer should be consulted for guidance on conducting compliance-related pre-acquisition due diligence on a particular target or joint venture partner.

2.2 Report red flags and known or suspected improper conduct. You must bring the following to the attention of the Legal Department immediately: any red flag involving a potential target company or any other information or suspicion that a target company, joint venture partner or any of its officers, directors, employees, or other representatives has made or intends to make an improper payment to a Government Official or is or has been involved in any business in embargoed countries or with embargoed parties.

2.3 Post-acquisition integration. Post-acquisition integration plans should include processes to: (i) extend Welspun's anti-corruption and international trade policies and procedures to the target company; and (ii) train key employees of the target company in those policies and procedures. The Human Resources Department is responsible for post-acquisition integration.

2.4 Anti-corruption and international trade contract language. Joint venture partners must agree to anti-corruption and relevant international trade contract language with the Company.

2.4.1 In the case of existing joint venture agreements that do not contain appropriate anti-corruption and international trade provisions, the responsible business unit shall look for opportunities to add such provisions to the agreement, and must do so at the time the agreement is renewed or amended.

3.0 Responsible Persons

The Welspun employees conducting due diligence on a target company or joint venture partner, in consultation with the Chief Compliance Officer, are responsible for ensuring that a compliance review of the target or joint venture partner is conducted. The Human Resources Department is responsible for managing the compliance aspects of post-investment integration.

Section 6.C: Compliance Monitoring and Audit

1.0 Policy

Compliance with the policies and procedures in this Manual is mandatory and subject to audit. Each year, the Chief Compliance Officer will submit an audit plan for the coming year to the International Trade Practices and Governance Working Committee for review and approval. The purpose of such an audit is to assess implementation of the Compliance Program and compliance with the anti-corruption and international trade policies and procedures in this Manual. These reviews may be conducted as part of Welspun's regular internal audit cycle and coordinated with other aspects of its audit of business processes for compliance with other regulations and policies, or these reviews may be conducted independently of other Welspun audits. The results of each audit shall be presented to the International Trade Practices and Governance Working Committee.

2.0 Procedures

2.1 Form of review. Welspun will conduct the following types of assessments:

Policies and procedures assessment: A review of policies and procedures will be conducted to assess whether Welspun effectively maintains and communicates anti-corruption and international trade policies and procedures. This review is designed to identify whether applicable legal obligations are understood throughout the Company.

Compliance assessment: A review of select contracts, activities, practices and procedures will be conducted on a periodic basis to assess whether Welspun operations are successfully implementing the policies and procedures of the Compliance Program.

2.2 Schedule. Each year, the Chief Compliance Officer, in consultation with relevant departments, will propose a schedule for periodic audits or reviews of compliance in different departments.

2.3 Corrective actions and training. Findings and recommendations will be developed following each audit and shared with appropriate personnel.

2.3.1 The Chief Compliance Officer will be responsible for developing and managing any necessary corrective actions to address the findings and recommendations of the assessments and will report on such to the International Trade Practices and Governance Working Committee.

2.3.2 As necessary, training will be provided to address particular findings and recommendations, as well as any identified weaknesses.

2.4 Recordkeeping. The Chief Compliance Officer shall keep complete records of all audits for five years from the date of the audit or last corrective action related to the audit.

3.0 Responsible Persons

The Chief Compliance Officer, in consultation with the Legal Department, is responsible for overseeing periodic audits and any required corrective action and reporting on such activities to the International Trade Practices and Governance Working Committee.

Section 6.D: Compliance Training

1.0 Policy

Anti-corruption and international trade compliance training shall be provided to Company officers and employees in a manner and on a schedule determined by the Human Resources Department in consultation with the Chief Compliance Officer.

1.2 Responsibility of business units. Each business unit is responsible for implementing the policies and procedures in this Manual.

1.3 Availability of information. Welspun will make this Manual available to all employees through the Company intranet.

Section 6.E: Investigations and Disciplinary Action for Non-Compliance of Manual

1.0 Policy

Any incidents or issues of potential non-compliance will be investigated by the Legal Department in consultation with the Chief Compliance Officer, and individuals who violate the policies and procedures in this Manual may be subject to disciplinary measures up to termination of employment, as appropriate and at the discretion of the Company.

2.0 Procedures

2.1 Investigation. The Legal Department, in consultation with the Chief Compliance Officer, is responsible for investigating any allegations or suspicions of violations of the policies and procedures in this Manual and all applicable laws and regulations in the countries where Welspun conducts business. The Legal Department is responsible for gathering all relevant information and reporting the potential violation to the Chief Compliance Officer.

2.2 Investigation report. An investigation report is to be prepared by the Legal Department for every investigation conducted. The report must summarize the allegation or suspicion of non-compliance, information on all individuals and departments involved in the alleged non-compliance, an account of the investigation conducted, and the conclusion arrived at by the Legal Department. The report should be submitted to the Chief Compliance Officer.

The Chief Compliance Officer, in consultation with the Legal Department and the Human Resources Department, is responsible for deciding whether discipline is warranted and what steps, if any, should be taken to strengthen the Company's compliance and training program.

2.3.1 Serious allegations. Allegations which involve potential criminal conduct, reflect a pattern of misconduct, suggest material weakness in the implementation of an aspect of the Compliance Program, call into question the ethics or compliance of the Company's officers, directors, or senior management, or that are otherwise deemed to be serious by the Chief Compliance Officer, must be elevated to the International Trade Practices and Governance Working Committee for review and action. The Legal Department and other relevant departments will be responsible for conducting an investigation unless the International Trade Practices and Governance Working Committee decides otherwise. Where an allegation or potential incident involves a direct or willful violation of applicable law or regulation or a potential bribe or violation of international trade laws, the International Trade Practices and Governance Working Committee will oversee the investigation and elevate the matter to the Board of Directors.

3.0 Responsible Persons

The Legal Department is responsible for investigating allegations of violations of relevant laws and Company policies. The Chief Compliance Officer, in consultation with the Legal Department and the Human Resources Department, is responsible for making decisions regarding employee discipline and strengthening the Company's compliance and training program.

FORM A

White List of Approved Gifts

The following items are of modest value and typically exhibit a Welspun logo or are customary gifts and therefore may be given without prior approval.

Welspun Group standard textile products, such as:

- Bed sheets
- Pillow Cases
- Towels
- Bath Rugs
- Pens, calendars, diaries and other miscellaneous stationery items
- Box of sweets or dried fruit
- Welspun-branded souvenirs and mementos, and religious statues

The Chief Compliance Officer or other empowered official may amend this list from time to time.