

HARIOM PIPE INDUSTRIES LIMITED

Corporate Tax Governance Policy

Hariom Pipe Industries Limited (hereby "HPIL"/"Company in order to expressly articulate the Company's tax approach and its strong dedication to adhering to and enhancing the adoption of sound tax methodologies adopt this policy. Thus, tax compliance and transparency are crucial to Company, and we have a comprehensive tax strategy. As a responsible corporate citizen, all tax activities will be carried out in compliance with applicable tax laws and regulations to protect shareholder value, including HPIL reputation and brand.

Objective

The fundamental objective of HPIL is to ensure compliance with the applicable tax provisions in line with the activities carried out. This fundamental objective, to respect and comply with tax rules, is appropriately combined with the achievement of the corporate interest and the generation of value sustainably over time for the shareholder, avoiding tax risks and inefficiencies in the implementation of business decisions.

Within this context and the framework of social corporate responsibility, the Company promotes responsible tax activities, taking into consideration the interests and the sustainable economic development of the communities in which it is included, endeavoring to ensure the appropriate application of good tax practices

Good Tax Practices

Hariom Pipe Industries Limited aims to fulfil its tax obligation and to maintain an appropriate relationship with the relevant Tax Authorities.

In order to include the aforementioned commitment to fulfil, develop and implement good tax practices within the Corporate Governance Rules of HPIL , the Company postulates the following practices:

1. Prevention of tax risk

In carrying out its business activities, HPIL shall follow the principles of an orderly and diligent tax policy that materializes in the commitment to:

- a) Encourage practices that lead to the prevention and reduction of significant tax risks through internal information and control systems.
- b) Refrain from employing artificial or unclear frameworks for tax objectives, where the latter refers to methods used to prevent the relevant Tax Authorities from identifying the ultimate party involved.
- c) Properly evaluate, in advance, investments and transactions that present a particular a priori tax risk.

2. Relations with the Tax Authorities

The relations of the Company with the competent Tax Authorities shall be governed by the principals of transparency, mutual trust, good faith and fidelity, with HPIL adopting the following good tax practices:

- a) Cooperate with the competent Tax Authorities in detecting and seeking solutions regarding fraudulent tax practices that may occur in the markets in order to prevent the company.
- b) Furnish the tax-related information and documentation requested by the authorized Tax Authorities promptly and comprehensively.
- c) On disagreement with a tax authority, we shall work constructively to resolve the issue in a timely manner through appropriate methods of dispute and grievance resolution. We strive to strengthen our relationships with the Government and tax authorities, and advocate for tax legislation that encourage innovation and growth.

HPIL Tax Governance Framework

HPIL tax governance framework align with the core value of the company

HPIL Values	Tax Governance Framework
Entrepreneurship with a Purpose	<p>Creating Tax Value</p> <ul style="list-style-type: none">To manage efficiently the tax cost to the company of doing business, including the company's cash taxes and effective tax rate, within the ambit of all applicable laws <p>Ownership of Risk & Reputation</p> <ul style="list-style-type: none">To control and manage tax risk and the Company's reputation through appropriate policies, communication and robust defence. <p>Compliance with integrity</p> <ul style="list-style-type: none">To ensure the integrity of all reported tax numbers and timely compliance and all relevant statutory tax obligations
Collaboration	<p>Engagement with tax authorities</p> <ul style="list-style-type: none">To engage with government & tax authorities constructively and positively in the interest of all our stakeholders.
Innovation & Execution	<p>Tax Technology</p> <ul style="list-style-type: none">To adopt newer technologies and innovation in place of conventional methods of doing tax compliances
Customer Centricity	<p>People</p> <ul style="list-style-type: none">To develop and enhance our people professionally and personally as a part of world-class tax team in meeting the objectives in a way that will enhance our customer experience

Company Tax Principles

The Company Tax principles sets out to govern, manage and disclose tax risks and report tax positions, submit tax returns and pay the correct tax due in a timely and accurate fashion.

The company tax principles focusses on below aspects

1. Tax Governance and Tax risk management
2. Tax Planning
3. Engaging Tax Authorities
4. Transactional Data Integrity

Tax Governance & Tax Risk Management

Tax risks can take several different forms (e.g. compliance tax risks, operational tax risks, financial tax risks and strategic tax risks). Tax risk can lead to reputational risk and material financial risk to the HPIL.

Tax governance and tax risk management are part of the HPIL risk and compliance processes. Tax governance and control processes are set up in such a way that any tax filing required by law will be submitted timely and accurately and payments of taxes due will be paid in accordance with the submitted tax filings. Company takes responsibility for applying the principles through the below governance structure:

- The executive management of company member's tax compliance is delegated by the Board to the Chief Financial Officer where the role exists; otherwise, it is delegated to the senior member of the finance team.
- Day-to-day management of company tax affairs is delegated to the senior member of the tax team and in case, there is no dedicated tax team to the Finance team.
- The teams managing tax affairs are staffed with appropriately trained individuals, drawing on support from the internal tax team and external advisor as necessary;

The each member tax/finance team will ensure that any material risk is reported to senior management to provide a general overview of the potential liabilities and to advise the senior management on how to mitigate and control these tax risks.

Furthermore, as part of these overall governance and control processes, the company makes sure that the tax positions and any tax risks are correctly and appropriately accounted for in accordance to applicable accounting rules and standards.

As part of tax governance & risk, management advice should be sought from external tax experts/advisor wherever appropriate.

Tax Planning

HPIL undertakes a transparent and open tax approach for tax optimization. The attitude towards tax planning ensure the below:

- Seek to maintain the highest of reputations and confidence of all stakeholders
- Comply with all applicable laws and regulations
- Behave in a way that maintains the trust in the HPIL by regulators, Revenue Authorities, client & the public.
- Ensure tax affairs are conducted in compliance with tax laws of the jurisdictions in which company operates

Tax planning for the company means take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation.

Transactional Data Integrity

HPIL seeks to ensure that tax issues are properly recognized at the earliest stages of a transaction

When business is seeking input in relation to transactions, investment or product, the business is responsible for providing with all the necessary information.

This information will include a detailed description of the facts, size of the transaction, involvement of third parties or other jurisdictions, the potential exposure from legal action by third parties, external advice received commercial objectives / rationale, timeframe of the transaction and approvals required.

It is the business' responsibility to ensure that the facts outlined as part of the briefing do not change. If the facts do change then the business should inform the Tax Function as and when there is a change.

Policy Review

The Policy shall be reviewed periodically or when needed.
