



Gifts & Hospitality Policy

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Policy Approver	Air India Management Committee
Policy Reviewer	P. Balaji
Policy Writer	Ajoy Jauhar

Air India Limited

CIN No U62200HR2007PLC111539

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Version Control

Ver No	Remark	Date	Prepared by	Approved by
1	Original Document	1 st December 2022	Ajoy Jauhar	Gurjot Malhi
1.1	Revised Air India Format & present signatory	1 st September 2024	Ajoy Jauhar	P. Balaji

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OBJECTIVE

This policy details the guidelines while accepting gifts and hospitality as part of business

SCOPE

This policy is applicable to all the existing employees who were in service prior to 27 January 2022 and those who have joined on or after 27 January 2022 and are working at all levels and grades, including Executive Directors, Senior Managers, Officers, other employees (whether permanent, fixed-term, temporary and contractual), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, or any other person associated with the Company and such other persons, including those acting on behalf of our Company.

This Policy is an extension of the Tata Code of Conduct. Not abiding with this policy would constitute violation of the Tata Code of Conduct (TCoC).

EXCLUSIONS

Nil

DEFINITIONS

Gift

The term “gift” would include any gratuitous non-monetary benefit that can be used or consumed. The Company recognizes that the exchange of gifts with people/entity having business dealings is not unusual as part of normal social exchange. Therefore, the need is recognized for a stated policy setting caps on the value of such gifts and for defining circumstances under which the gifts could be given, accepted and retained. The cardinal principle would be that gifts should not be given or received either to obtain favours/ preferential treatment or in return for favours/ preferential treatment.

An illustrative list of type of gifts that may be received is provided below:

- Articles of an edible nature for festive occasions
- Articles of use in an office such as table clocks, stationery, desk accessories etc.
- Gift vouchers / Gift cheques
- Artefacts

Hospitality

The term “hospitality” would include any form of travel, hotel, food, drinks, entertainment or any events (participating or watching) such as sporting events, theatrical events, awards or ceremonies.

The Company acknowledges that hosting business associates at our premises to promote our business interests and reciprocal visits to our business associates are an important aspect of our business relationships. However, in addition to the guidance on appropriateness of gift and hospitality

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given and received, one should also consider the guidelines as provided in this policy in the case of trips for promotional activities.

Business Associates

The term business associates include and is not limited to business partners, vendors, dealers, contractors, consultant and customers, etc.

POLICY DETAILS

GIFTS

A. Principles for acceptance of gifts/benefits

A gift or benefit may be accepted only if it does not influence or have the potential to influence independence of the employee in such a way as to compromise or appear to compromise integrity and impartiality or to create a conflict of interest or perception of conflict of interest.

B. Principles for non-acceptance of gifts/benefits

The gift or benefit may not be accepted or given if any of the following principles apply:

- It is intended—or is likely—to cause the recipient or donor to act in a partial manner in the course of their duties; or
- The donor would apprehend that the recipient may be under obligation to the donor; or
- It is not offered openly; or
- It is an offer of money or anything readily convertible to money—for example, shares.
- Any form of facilitation payment / bribe

Gifts that are never appropriate and should never be accepted

- Monetary Benefit of any value under any circumstances
- Gifts of cash, gold or any precious metals, gems or stones
- Gifts given outside the workplace or venue of the business event
- Gifts given in the form of service or other non-cash benefit (e.g. a promise of employment)
- Gifts that are prohibited under applicable law
- Gifts given as a bribe, payoff, kickback or facilitation payment (e.g., in order to obtain or retain business, or to secure an improper advantage)
- Gifts the recipient knows are prohibited by the gift givers or recipient's organization

C. Circumstances / purpose of gift

Gifts could be either solicited or unsolicited. The Company, regardless of the circumstances, does not permit the soliciting of gifts. This policy defines the circumstances under which unsolicited gifts received either in India or abroad can be accepted and retained.

The circumstances under which gifts might be received fall into various categories:

1. Gifts received on festive occasions.

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2. Gifts received on personal celebrations.
3. Honorariums/ mementos received in recognition of a professional contribution made by the recipient.

D. Circumstances under which gifts can be accepted:

The value of the gift will be communicated by the management from time to time

- **Receipt of Cash Gift:** Only in the case of retirement or cessation of employment of on roll employees, cash gift up to the prescribed value and more can be retained by on roll employees.
- **Collective gift in kind:** Can be received in the case of transfers / retirement /special or significant personal occasions (like marriage) with reasonable value as applicable in such cases.
- **Gifts received in recognition of a professional contribution made by the recipient,** such as for making a presentation, conducting a training program/ workshop for a professional and academic institution etc.
- **The value of the gift will be communicated by the management from time to time**
 - Where the receipt of a gift is through **a gift voucher or a gift cheque** with an amount **as prescribed by the management**, the recipient will be permitted to retain the full amount received, if prior permission is taken from the Company. **No cash is to be received.**
 - As a good practice, gift cheques amounting to more than the prescribed limit by the management may be issued in the name of any charitable organization as identified by the Company/ employee welfare fund, if any.
 - Where the Company has borne expenses, such as travel or lodging, related to the event and such expenses are reimbursed by the organizers, all such reimbursements will be surrendered to the Company.
- **Long Service Awards to employees**
- **Receipt of gift from parties having business relationship with the Company** including gifts from subordinates.
 - Illustrative categories of parties with business relationships with the Company would be vendors, dealers, contractors, consultant and customers etc.
 - Gifts received from any person or entity where the donor has a business relationship with the Company should be only **non-cash up to the prescribed limit as communicated by the management.**
 - No gift should be accepted from any person or party who has defaulted on the company in any manner.
 - By way of illustration, parties in default would be parties from whom monies are overdue or parties with whom the Company is engaged in litigation and parties against whom disciplinary action has been taken.

E. Receiving gifts in excess of the value as communicated by the management from time to time

- **Normal Circumstances**

Where an employee receives gifts in excess of the caps contained in this policy, it would be advisable to return the gift to the donor with a standard covering letter (Annexure 1), thanking the donor for the same and quoting the relevant provision of this policy.

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- **Exceptional Circumstances**

At times, gifts valued in excess of the limit prescribed in this policy may be received. In this situation, the recipient should declare and surrender the gift at the earliest to the Chairman Ethics Committee with a copy of declaration to HR Department for records and maintaining the details in the Gifts Received Register.

Declaration regarding receipt of gift

In all instances, the recipient of a gift will make a declaration stating the description of the gift that has been received, the estimated value of the gift and the circumstances under which the gift was received and particulars of the donor. Such a declaration should be submitted to Chairman Ethics Committee with a copy to HR Department within 15 days of the receipt in the prescribed form (Annexure 2).

F. Recommended usage of gifts received

- **Gifts of edible nature**

As a good practice, gifts of edible nature may be shared with fellow employees.

- **Gifts under the prescribed limit as communicated by the management from time to time**

The nature of the gift permitting it would also be good practice to use the gifts in the office.

- **Gifts over the prescribed limit as communicated by the management from time to time**

All gifts over the prescribed limit should be handed over to Chairman Ethics Committee with a copy of declaration to HR Department, which would be used by the Company for official presents to be given on certain occasions like Reward & Recognition to employees, etc.

G. The acceptable value of the gift should not exceed Rs 3000/- or \$100 (for international locations)

HOSPITALITY

H. Business hospitality (e.g., meals, tickets to a theatre or a sporting event, accommodation) may be provided to strengthen working relationships among business associates. However, hospitality only applies to situations where the host is present. Tickets to sporting or cultural events and not attended by the host are essentially “gifts” and not “hospitality” and hence should be dealt with in accordance with the gift guidelines specified above. As a rule, invitations relating to entertainment or hospitality should be directed to the relevant organization and not to an individual(s).

Listed below are the guidelines for trips for promotional activities.

- **What is permitted?**

- Infrequent, rational and appropriate in the context of the business occasions
- Related to a legitimate business purpose e.g., accompanying a customer, business partner or supplier to a business meal, attending business conferences, providing reasonable and proportionate meals and entertainment to representatives of business partners.
- Occasional and reasonable meetings over lunch or dinner.

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- Reasonable hospitality for legitimate business purposes, stakeholder engagements and/or on humanitarian grounds.
- Travel or hospitality extended as part of agreed contracts with any third party pursuant to legitimate business purposes including site visits, training.
- **Hospitality that are never appropriate and should never be accepted**
 - Hospitality that can be viewed as excessive in the context of the business occasion
 - “Adult” entertainment, or any sort of event involving nudity or lewd behavior
 - Hospitality that can be viewed as creating any affiliation of the Company or the Company’s brand with any particular political party
 - Hospitality that the recipient knows the gift-giver is not permitted to extend
 - Hospitality that would involve a breach of any applicable law.

For business hospitalities other than meals & refreshments and local conveyance, an advance approval for should be obtained from the Departmental Head, after appropriate consultation with the Chairman Ethics Committee.

Ideally, family members or people not directly related to the relevant business occasion should not join hospitality offered. However, if they do attend, their expenses should be fully paid for by the concerned employee and not be paid or reimbursed by the Company, or by the business associate. Advance approval for such instances should be obtained from the Departmental Head, after appropriate consultation with the Chairman Ethics Committee.

I. Deviation of policy under exceptional circumstances

Any deviation from this policy must be supported by appropriate rationale and must be duly approved by the Chief Ethics Counsellor. In any case, in dealing with such deviations, the spirit of the TCoC should in no case be compromised.

J. Violation of the policy

Employees are expected to report all violations to the Chief Ethics Counsellor/ Local Ethics Counsellors. Failure to report a violation would constitute withholding of information and would in turn be a violation of Section D, Clause 11 and Section G, Clause 4 of the Tata Code of Conduct 2015.

If it is determined that an employee / associate has violated this policy, appropriate action including termination of the employee’s/ associate’s employment or association with the Company may be decided upon.

In case of any clarification / interpretation of this policy the employee should contact the office of the Chief Ethics Counsellor.

The policy will become effective with immediate effect.

K. Provision for amendment of gifts & hospitality policy

The Company reserves the right to vary, add and/or amend the terms of this Gifts and Hospitality Policy from time to time.

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POINT OF CONTACT

Employees can reach out to the Chief Ethics Counsellor/ Chief Human Resources Officer in case of any questions or clarifications.

Reviewed by

(P. Balaji)

Group Head – GRC & Corporate Affairs and Chief Ethics Counsellor

Approved by

Air India Management Committee

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Annexure 1

(On The Company Letter Head)

Date:

Dear Mr. / Ms_____

Address:

My sincere thanks for your good wishes and the gift accompanied by it. I appreciate your kind gesture of sending the same.

However, as I am committed to the Tata Code of Conduct, I am not in a position to accept the gift as per the Company's Gift Policy. Hence, I am returning the gift along with this letter.

Warm Regards,

BCC: Chief Ethics Counsellor

BCC: HR Department

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Annexure 2

Declaration under the Gift Policy

To,
The Chief Ethics Counsellor
Air India

As required under the Gift Policy, I declare the gift/gifts received by me, the details of which are as under:

S. No.	Description of the Gift	Gift received from	#Circumstances/ purpose of gift (Refer Clause D of the Gift Policy)	Estimated Value of the Gift in INR

*I further declare that the gift/gifts received as stated above (S. No) valuing more than Rs.3000 has / have been handed over to Chairman Ethics Committee.

*I further declare that the gift/gifts received as stated above (S. No) valuing more than Rs.3000 has/have been returned to the Donor.

(* Please delete if not applicable)

Signature
Name of the Employee:
Employee Number:
Cc: HR Department

Circumstances / Purpose

- 1 Festive occasions
- 2 Personal Celebrations
- 3 Recognition of a professional contribution
- 4 Terminal event such as a transfer or on secession of employment
- 5 Others – Please specify. This could include Special Commemorative occasions such as tenure landmarks, after an event, product launch, financial closure etc.

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