

# DHAMPUR SUGAR MILLS LIMITED

## Anti-Bribery and Anti-Corruption Policy

### INTRODUCTION:

Dhampur Group (DSML) is committed to the setting up, highest standards for transparency and accountability in all its affairs. DSML strives in attaining its mission through compliance of high legal and ethical standards.

### POLICY & GUIDELINES:

#### 1.0 Objective:

The purpose of this Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") is to ensure that DSML operations and business activities are in consonance with applicable laws, highest ethical standards and ensure(s) the prevention, detection of fraud, bribery and corruption.

#### 2.0 Applicability:

This policy applies to the regular employees, ad-hoc staffs, Advisers, Consultants, Suppliers, Partners and Individuals acting on behalf of the company, irrespective of their location.

#### 3.0 Policy Framework:

- 3.1 DSML will not engage in bribery or any form of unethical inducement or payment including facilitation payments and "kickbacks." All the employee, Ad-hoc staff, Advisers, Consultants, Suppliers, Partners and Individuals acting on behalf of the DSML are required to avoid any activities that might lead to, or suggest, a conflict of interest with the activities and business interest of DSML.
- 3.2 DSML expects its suppliers and partners to act with integrity and without thought or actions involving bribery and/or corruption and will, where appropriate, include clauses to this effect in relevant contracts.
- 3.3 The guidelines in this ABAC Policy supplement the Code of Conduct of DSML and should be read in conjunction with employment contract.

#### 4.0 Prohibited Activities:

- 4.1 It is prohibited, directly or indirectly, for any employee or individual acting on behalf of DSML to offer, give, request or accept any bribe (i.e. gifts with mala-fide intentions, loan, payment, reward or advantage, either in cash or any other form of inducement), to or from any person or company in order to gain commercial, contractual or regulatory advantage for DSML, or in order to gain any personal advantage for an individual or anyone connected with the individual in a way that is unethical.

4.2 This policy requires employees and individuals acting on behalf of DSML:

- 4.2.1 Not to offer, promise or make any bribe or unauthorized payment or inducement of any kind to anyone;
- 4.2.2 Not to solicit business by offering, promising or making any bribe or unofficial payment to suppliers;
- 4.2.3 Not to request or accept any kind of bribe or unusual payment or inducement that would not be authorized by DSML in the ordinary course of business;
- 4.2.4 To refuse any bribe or unusual payment and to do so in a manner that is not open to misunderstanding or giving rise to false expectation; and to report any such offers;
- 4.2.5 Not to make facilitation payments. These are payments used by businesses or individuals to secure or expedite the performance of a routine or necessary action to which the payer of the facilitation payment has a legal or other entitlement. DSML will not tolerate or condone such payments being made;
- 4.2.6 Not to give or take monetary and non-monetary favours.
- 4.2.7 To report any breaches of this policy's principles or standards or of any associated.

#### **5.0 Criminal Offence (as defined in IPC):**

5.1 It is a criminal offence to:

- 5.1.1 Offer a bribe;
- 5.1.2 Accept a bribe;
- 5.1.3 Fail to prevent a bribe

5.2 Employees, ad-hoc staff, advisers, consultants, suppliers, partners and any individuals acting on behalf of DSML should be made aware that if they are found guilty by a court of committing bribery, embezzlement or fraudulence an individual could face prosecution as per the norms of IPC (Indian Penal Code).

#### **6.0 Gifts and Hospitality:**

DSML realizes that giving and receiving of gifts and hospitality without any mala-fide intentions, or in other words, where nothing is expected in return helps form positive relationships with third parties where it is proportionate and properly recorded. This does not constitute bribery and consequently such actions are not considered a breach of this policy. However it is expected that the gift would not be of high value, so that people don't expect favours in lieu of gifts.

### **GOVERNANCE OF THE POLICY:**

#### **7.0 Complaint Process and Procedures:**

7.1 If an employee or an individual acting on behalf of DSML is offered a bribe, or a bribe is solicited from them, they should not agree to it unless their immediate safety is in jeopardy. Should this be the case, the employee or individual should at first instance contact the Unit Head / Functional Head as soon as they are able to do so. The employee or individual may be required to give a written account of the events to assist with any investigation. If any Unit Head / Functional Head is involved in such an act, the individual may contact Ombudsman for reporting the case and likewise if the concerned GEO is involved in such an act, the individual may directly contact the MD / Chairman for reporting such case.

- 7.2 Employees or individuals acting on behalf of DSML are encouraged to raise concerns about any instance of bribery or corruption at the earliest possible stage. The employee or individual raising a concern can do so in confidence and without fear of reprisals. All reports raised are taken seriously and, where appropriate, investigated. No employee or individual will be discriminated against in any way as a result of reporting a concern in good faith.
- 7.3 If any instance of bribery or corruption is identified; DSML management will take the remedial steps immediately. DSML has system of investigation it's employees for violation of service conduct including financial irregularities, corruption, fraud or embezzlement. If the charges are proved the delinquent may be awarded penalties depending on the gravity of misconduct.
- 7.4 These rules are based on the following principles:
- 7.4.1 The right of DSML to take appropriate disciplinary steps against any delinquent employee, who acts in a manner conflicting with the code of conduct and prescribed rules / regulations.
  - 7.4.2 At the same time the rules also recognize the right of delinquent employee to a fair hearing and applicable and just disciplinary action.
  - 7.4.3 The emphasis of disciplinary action is on prevention, justice and rehabilitation.

#### **8.0 Reporting and Investigation:**

Any report of solicitations to engage in a prohibited act or possible violation of the Policy will be investigated initially by Unit Head / Functional Head. Where the matter is deemed potentially serious it will be promptly reported to MD / the Ombudsman, Chief Executive Officer, and where appropriate, to the Chairman of the Board, and the following procedure will be followed:

- 8.1 The report will be recorded, and an investigative file established. In the case of an oral report, the party receiving the report is also to prepare a written summary.
- 8.2 The Ombudsman will promptly commission the conduct of an investigation.
- 8.3 The investigation will document all relevant facts, including persons involved, times and dates. The Ombudsman shall advise the Board of Directors of the existence of an investigation.
- 8.4 The identity of a person filing a report will be treated as confidential to the extent possible, and only revealed on a need-to-know basis or as required by law or court order.
- 8.5 On completion of the investigation, a written investigative report will be provided by the persons employed to conduct the investigation to the Chief Executive Officer. If the investigation has documented unlawful, violative or other questionable conduct, the Chief Executive Officer will apprise the matter to the Board of Directors.
- 8.6 If any unlawful, violative or other questionable conduct is discovered, the Chief Executive Officer shall ensure implementation of such remedial action as deemed appropriate by the Board of Directors under the prevailing circumstances to achieve compliance with the Policy and applicable law, and to otherwise remedy any unlawful, violative or other questionable conduct. The persons employed to conduct the investigation shall prepare, a written summary of the remedial action taken.
- 8.7 In each case, the written investigative report (or summary of any oral report), and a written summary of the remedial action taken in response to the investigative report shall be retained along with the original report by or under the authority of MD.

**9.0 Display and Communication of Policy:**

- 9.1 The Policy shall be displayed to all employees through intranet portal and company website.
- 9.2 To meet this objective, regular training will be made available to all business units in relation to ABAC Policy.
- 9.3 DSML reserves the right to vary and/or amend the terms of this ABAC Policy from time to time.

**10.0 Annual Certification:**

All directors, officers, employees, consultants and contractors of DSML will provide annual certification of compliance with this Policy in the prescribed format (Annexure I)

**11.0 Exception Handling:**

- 11.1 Any exception should be approved by MD / Chairman through Ombudsman.
- 11.2 Management reserves the rights to amend or cancel any of the provisions of this policy fully or partially without assigning any reason of whatsoever in nature.

**12.0** This policy shall supersede and replace all prior policies, arrangements, agreements and understandings, oral or written on Anti-Bribery and Anti-Corruption or similar subject.

**13.0** This policy comes into effect from June 1, 2023.

**GOVERNANCE OF THE POLICY:**

- a) Annexure I: Declaration of Understanding of The Anti-Bribery and Anti-Corruption (ABAC) Policy.

**DECLARATION OF UNDERSTANDING OF THE ANTI-BRIBERY AND ANTI- CORRUPTION (ABAC) POLICY**

I .....confirm that I have read the Anti-Bribery and Ant-Corruption (ABAC) Policy. I also confirm that I have understood the requirements of ABAC Policy and my responsibilities in relation to this document. I understand that if I am party to any breach of the Code of Conduct and ABAC Policy then it could be regarded as Gross Misconduct and that this may result in disciplinary action, up to and including dismissal, in accordance with the DSML's disciplinary procedures.

EMPLOYEE NAME \_\_\_\_\_

EMPLOYEE NUMBER \_\_\_\_\_ DEPARTMENT NAME \_\_\_\_\_

UNIT/LOCATION \_\_\_\_\_

SIGNATURE

DATE