

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Usha Martin Limited ('the Company') is committed to exemplary standards of ethical behaviour, both within the organisation as well as in their external relationships. The Company believes that unethical behaviour corrupts organisational culture and undermines shareholder value.

This Anti-Bribery and Anti-Corruption Policy (the 'Policy' or 'ABAC Policy') provides a framework for ensuring compliance with legislations governing bribery and corruption globally and conduct(s) its business activities in consonance with applicable laws, highest ethical standards and ensure(s) the prevention, detection of fraud, bribery and corruption. This Policy should be read in conjunction with the Code of Business Ethics and Conduct of the Company.

APPLICABILITY

This Policy applies to all stakeholders, or any other person associated with the Company and who may be acting on behalf of the Company. This Policy sets out the minimum standard that must be followed at all times. Where any local regulations are stricter than this Policy, they will take precedence over this Policy.

SCOPE OF POLICY

"Corrupt Practices" refer to giving or receiving financial or other inducements, intermediation in giving or receiving financial or other inducements, malpractice, misuse of official authorities, facilitating payments, illegal use of the official position by a person to receive benefits in the form of money, property or other assets, services, and any rights to himself or to other persons or illegal provision of benefits or rights by other persons.

In view of the above, all employees of the Company are strictly prohibited, whether directly or indirectly, personally or through mediation of third parties, to be involved in corrupt activities, offer, give, promise, request and receive payments or make payments to simplify administrative, bureaucratic and other formalities in any form including cash, valuables, services or other benefits to any person or from any persons or organizations, including governments and local authorities, government officials, private companies and its representatives.

POLICY FRAMEWORK:

- (i) **Bribes:** The Company prohibits all forms of bribery and corruption practices involving, but not limited to, Government Officials or a private sector person or company. The Company conducts its business lawfully and ethically and expects every stakeholder to conduct its business with integrity. The Company prohibits the making or accepting of facilitation payments of any kind for any favours to facilitate or expedite official business or work.
- (ii) **Gifts, hospitality and entertainment:** No gifts including cash gifts, hospitality or entertainment may be offered or provided in exchange for any favour (or promise of any favour) for or benefit to the Company under any circumstances to any Government Official or any private person. However, the Company acknowledges that exchange of nominal gifts or souvenirs of a nominal value (e.g. bouquets, pens, calendars, diaries, dry fruit/sweet boxes, etc.) which are customarily given on special events/ occasions and are infrequent in nature. All persons need to exercise sound judgment in identifying

inappropriate, frequent or material gifts and shall avoid the same to maintain integrity and independence.

The giving or receipt of gifts by a Person is not prohibited, if:

- a) It complies with this Policy and all applicable anti-bribery and anti-corruption laws;
 - b) There is a legitimate business purpose to support gifts related expenses and are not given or received in return for a favour / favourable treatment or to refrain from doing something disadvantageous to the Company;
 - c) Considering, the reason and nature of the gift, it is of an appropriate type and value and given at an appropriate time; and
 - d) Gifts are not offered to or accepted from politicians or political parties or Government Officials.
- (iii) Third party engagements: The Company engages multiple third parties to act on its behalf including vendors, dealers, liaison agents, consultants to interact with government authorities etc. Every Stakeholder appointed to act on behalf of the Company must be selected on the basis of their commercial and technical expertise and Company's need for the products or services. No person or entity may be appointed on the basis of a relationship with a Government Official, government department or business associate, or because of a family connection or friendship. Stakeholders are prohibited from fulfilling any corrupt offer, request, demand or promise for payment to be made or received directly or through any third party. Further, margins, trade discounts or other incentives paid to third parties engaged by the Company must always be bonafide, reasonable and on market terms.
- (iv) Charitable Contributions / Donations: The Company may make charitable donations that are legal and ethical under local laws and practices. It shall be ensured that the charity or a support is for a legitimate cause, and that donations are not being used as a channel for bribery. Any Stakeholder may also, in their personal capacity, make donations that are legal and ethical under local laws and practices. However, it must be ensured that charitable contributions are not used as a scheme to conceal Bribery.
- (v) Political Contributions: The Company is apolitical and does not make contributions to any political party or politicians. Stakeholders must not use the Company's name or trademark for political activities of any kind or provide money or other forms of support to political parties on behalf of the Company.
- (vi) Facilitation Payment: A facilitation payment is a payment to secure or expedite a routine government action by an official. This Policy prohibits making of facilitation payments unless the law otherwise permits specifically.

RESTRICTIVE PRACTICES :

Illustrative list of acts / practices that are restricted / prohibited under this Policy shall include but not be limited to:

- (i) Dishonest misappropriation of property / money, criminal breach of trust and cheating, as defined under Indian Penal Code 1860 ("IPC") ;

- (ii) Receiving or giving bribe;
- (iii) Acceptance / giving of gifts over and above the extent and the manner as allowed in this Policy;
- (iv) Charity or sponsorship in order to obtain commercial advantages over and above the extent and the manner as allowed in this Policy;
- (v) Participation / contribution in / to political activities;
- (vi) Payment of any costs for Government Officials and their relatives (or in their interests);
- (vii) Any other unethical act or omission; and
- (viii) To use partners, agents, joint ventures, intermediaries, or other persons for any actions that are contrary to the principles and requirements of the Policy or the rules of the applicable anti-bribery and anti-corruption law.

REPORTING OF VIOLATIONS

All employees are encouraged to raise concerns about any actual or suspected cases of bribery and corruption at the earliest possible stage. Where anyone believes the policy are not being complied with or they are being asked to carry out any act not in compliance with this policy, these concerns must be raised immediately with the Head of the Department or Head of HR of the Company. The Company will investigate all allegations relating to corruption and bribery and take legal or disciplinary action as may be deemed appropriate. All reports under this Policy would receive confidential treatment and the Company would protect the identity of any person who reports a suspected violation. The Company will prefer that persons identify themselves to facilitate investigation of any report. However, in case the concerned person wishes to report anonymously, he/she may do so. The Company will also use its best efforts to protect the identity of the person about or against whom an allegation is brought, unless and until it is determined that a violation has occurred.

Training:

The Company ensures that it has adequate procedures to combat threats relating to bribery and corruption. Accordingly, the Company provides appropriate training for its employees on prevalent anti- bribery & anti-corruption laws, their role and importance; in order to be in conformance with legal requirements and be in compliance thereof.

Amendments

This Policy may be updated/ amended by the Company from time to time.

This Policy is approved by the Board at their Meeting held on 11th February 2023 and the said date shall be deemed to be the effective date of this Policy.