



**Credit Guarantee Fund Trust for
Micro and Small Enterprises
(Anti-Bribery & Anti-Corruption
Policy)**

cgtmse



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1. INTRODUCTION

1.1 Introduction

CGTMSE is dedicated to the highest levels of anti-bribery and anti-corruption policy. The essence of the connection between the CGTMSE and banks and financial organizations is trust, and any form of bribery and/or corruption erodes trust. Bribery and/or corruption could raise business uncertainty and can have serious reputational and financial ramifications. Bribery and/or corruption may expose CGTMSE, as well as banks and financial institutions, to reputational and legal damage.

1.2 Objective

The CGTMSE has a zero-tolerance policy for any type of bribery or corruption and has committed to take proactive efforts to prevent such risks. The CGTMSE expects similar efforts from all the bank and financial institutions to monitor, detect and prevent bribery and corruption.

1.3 What is not acceptable.

CGTMSE is governed by Central Vigilance Commission (CVC) in India, and we implement their guidelines.

It is not appropriate for any CGTMSE and bank, financial institution employee, senior or junior, or someone associated to an employee as a friend or family member acting on behalf of such employee, to:

- Participate in acts or conduct that constitute bribery and/or corruption, as specified. Bribery and/or corruption should include not just relationships with present customers and third parties, but also prospective customers, third parties, and any unrelated companies with future commercial relationships.
- Offering payment, gift, hospitality, gratification, or favoritism to any person, public official, or person associated with a public official who has or claims to have a business relationship, or with the expectation or hope that a business advantage will be given or received, or to reward a business advantage already given, to facilitate or expedite a routine procedure or dispensation of service, regardless of if this prohibited behavior is made with the intention of influencing the actions of any person or causing any person to refrain from any action.

All employees are required to read, understand, and follow this policy.

- All employees are responsible for adhering to this policy, any relevant rules and procedures including when relevant donor requirements, and any applicable anti-corruption laws.
- All workers are responsible for the prevention, detection, and reporting of acts and behavior that constitute bribery and/or corruption.
- Employees must avoid any behavior that could lead to or imply a violation of this policy.



- Employees should submit concerns as soon as feasible using the following hierarchy if they believe or suspect that a violation of or conflict with this policy has occurred or will occur in the future.

1.4 Anti-Bribery & Anti-Corruption Standards

It is not acceptable when an employee or any superior is in charge of dealing with customers accepting directly or indirectly to receive, give, promise to give, or offer any reward, gift, hospitality, gratification, or other consideration.

- The CGTMSE makes no financial or other contributions to political parties or people. No employee shall make any political contributions on behalf of the CGTMSE, nor shall any employee utilize any of the CGTMSE resources to support a candidate, political party, or elected official in any campaign, nor shall any employee pressure or direct another employee to vote in a particular manner.
- Charitable contributions, sponsorships, or gifts may never be used as a cover for bribery. All charity, sponsorship, or donation actions must be done in good faith and should not be done in exchange for any business or other advantage that may be considered unlawful.
- Human Resources (HR) activities such as offering employment, promotions, transfers, postings, trainings, and internships are frequently deemed to be valuable, and thus promising the same in order to obtain unfair advantage is considered bribery and/or corruption.
- The CGTMSE engages with a wide number of bank and financial institutions in the course of its business activities, and such interactions have the potential to expose the CGTMSE to the risk of being involved or believed to be involved in bribery and/or corruption. To properly reduce such risk, the CGTMSE requires all of its Member Lending Institutions (MLI) to refrain from bribery and/or corruption.
- MLI is expected to follow all regulatory requirements advised by RBI, FIU-IND and PMLA Act

1.5 Breach of the Policy

Compliance with the Anti-Bribery & Anti-Corruption Policy, as well as other applicable laws, regulations, and processes, is a key requirement for all workers. Any violation of the policy will result in disciplinary or corrective action in accordance with the applicable service rules or contract terms.