



Anti-Bribery And Anti-Corruption Policy (Ethics Policy)

J M BAXI & CO. GROUP

J.M. Baxi & Co. group is engaged in various services relating to :

- i) Shipping
- ii) Logistics
- iii) Infrastructures
- iv) Technology

through various companies, partnership firms and proprietorship, to name amongst others, the following :

Shipping services	<ul style="list-style-type: none">- J M Baxi & Co.- United Liner Shipping Services LLP- Container Movement (Bombay) Transport Pvt. Ltd.- Arya Offshore Services Pvt. Ltd.- “K” Steamship Agencies Pvt. Ltd.- Boxco Shipping services Pvt. Ltd.- Contfreight Shipping Agency (India) Pvt.Ltd.
Logistics	<ul style="list-style-type: none">- Boxco Logistics India Pvt. Ltd.- Boxco World- Boxcold- Vir Shipping
Infrastructures	<ul style="list-style-type: none">- International Cargo Terminals And Infrastructures Pvt. Ltd. (owner of Mumbai International Container Terminal, Rozi International Cargo Terminal) and its subsidiaries, viz. Visakha Container Terminal Pvt.Ltd., International Cargo Terminals And Rail Infrastructures Pvt. Ltd. (owner of Delhi International Cargo Terminals, or DICT), Paradip International Cargo Terminals Pvt. Ltd. (PICT), Kandla International Container Terminal Pvt.Ltd. (KICT), Haldia International Container Terminals Pvt. Ltd. (HICT).
Technology	<ul style="list-style-type: none">- Ayra Water Technology- Arya Communication & Electronics Services Pvt. Ltd.- Diabos Pvt. Ltd.- Portall InfosystemsPvt. Ltd.



J M Baxi & Co. group also includes other companies (registered under the Companies Act, 2013), partnership firms, Proprietorship organization, and other establishments, engaged in multifarious business activities and directly or indirectly controlled by J M Baxi & Co., any of the aforesaid companies, firms or proprietorship/s etc. of J M Baxi & Co. group and both individually or collectively or otherwise.

Scope, Purpose And Applicability

The principles set forth in this Anti-Bribery and Anti-Corruption Policy shall apply to all J M Baxi group Companies, partnership firms, proprietorships and includes all Entities, Associates and Business Partners across the country, with a zero tolerance approach to bribery and all types of corruption. This policy applies to all employees at all levels and grades, including directors, senior managers, officers, other employees (whether permanent, Contractual or temporary), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, or any other person associated with J M Baxi group, across the country and abroad. It guides us to act professionally, fairly and with utmost integrity in all business dealings and relationship, wherever we operate.

Over more than a hundred years past, J M Baxi & Co. has built a strong reputation for being an ethical and trustworthy group. As a matter of principle, J M Baxi & Co., its employees, associates and business partners do not seek to influence others, either directly or indirectly, by offering, paying or receiving bribes or kickbacks, or by any other means that is considered unethical, illegal or harmful to our reputation for honesty and integrity. We are firmly committed to uphold these highest standards of integrity and each one of us has a responsibility to protect that reputation by demonstrating honesty and integrity while interacting with our customers, all kinds of business dealings, organizational matters and to adhere to all elements described in this Policy. Our zero-tolerance to bribery and corruption is essential to preserve our corporate reputation and also to preserve our long term existence.

Provisions under The Prevention of Corruption Act, 1988, The Indian Penal Code, 1860, Prevention of Money Laundering Act, 2002, Central Vigilance Commission Act, 2003, Lok Ayukt Act of respective states, are the legislations that classify bribery as a serious criminal offence in India. Bribery offences can attract the imposition of severe penalties in form of fines, penalties and/or custodial sentences (imprisonment), exclusion from tendering for public contracts, severe reputational damage, etc. amongst other penal measures. We therefore take our legal responsibilities as well very seriously and strive to uphold all laws relevant to countering bribery and corruption.

Governance

The head of the Terminal / Business Unit along with the Human Resources Department of the respective terminals/ businesses has primary responsibility for implementing and monitoring this policy and report to the HR Head of the Group who shall undertake a periodic review,



monitor the effectiveness and suitability, update this policy to reflect applicable laws and management decision. However Management at all levels is responsible to ensure that those reporting to them are made aware of and understand this policy, comply with all such rules with zero tolerance approach (in case of non-compliance) and, if considered necessary, are given adequate training.

Any violation of this policy may have significant consequences, including potential prosecution, fines and penalties for improper conduct as well as the initiation of appropriate legal action which may result into fine or imprisonment and / or disciplinary action including but not limited to termination of the contract, employment of the concerned person associated with the group.

Policy Framework

1. Bribery

Bribery is offering, giving, soliciting or receiving *anything of value* with the intention of inducing a person for having acted or agreeing to act in a fraudulent way, resort to any function/s or activities in a dishonest or in impartial way. Bribery includes any such acts which are illegal and which tantamount to breach of trust, duty and good faith.

Anything of value includes, but is not limited to :

- Cash, Cash equivalents (such as gift certificates / cards), stock, personal property and assumption or forgiveness of a debt.
- Gifts, meals, entertainment and travel.
- Job offers or internship awards
- Promise of any gift, hospitality, loan, fee, rewards or any other undue advantage.

It is important to understand that a corrupt act has occurred even if a bribe does not succeed and when one authorizes a bribe but no bribe is ultimately offered or paid.

Bribery includes not only direct payments, but also authorizing or permitting an employee or third party to commit any of the acts or take any part in the actions identified hereinabove.

2. Corruption

The definition of “Corruption” includes wrongdoing on the part of an authority, or those in power, through means that are illegitimate, immoral, or incompatible with ethical standards. This section covers the following areas:

- a. Gifts, entertainment and hospitality
- b. Facilitation payments



- c. Procurement process
- d. Political, Charitable or Community contributions
- e. Improper performance of duties
- f. Favours regarding recruitment opportunities

3. What is not acceptable

It is not acceptable to:

- a) give, promise to give, or offer a payment, gift or hospitality to secure or award an improper business advantage;
- b) give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to facilitate, expedite, or reward any action or procedure;
- c) accept payment from a third party, knowing or suspecting it is offered with the expectation that it will obtain a business advantage for them;
- d) induce another individual or employee to indulge in any of the acts prohibited in this policy;
- e) threaten or retaliate against another employee who has refused to commit a bribery offence or who has raised concerns under this policy;
- f) give or accept any gift where such gift is or could reasonably be perceived to be a contravention of this policy and / or applicable laws; or
- g) engage in any activity that might lead to a breach of this policy.

4. Gifts and hospitality

This policy does not prohibit normal business hospitality, so long as it is reasonable, appropriate, modest, and bona fide corporate hospitality, and if its purpose is to improve our company image, present our products and services, or establish cordial relations. Gift and Hospitality :

- Must be duly approved. Normal business hospitality must always be approved at the appropriate level of Company management.
- Must not be intended to improperly influence. Employees should always assess the purpose behind any hospitality or entertainment. Hospitality or entertainment with the intention of improperly influencing anyone's decision-making or objectivity, or making the recipient feel unduly obligated in any way, should never be offered or received. Employees should always consider how the recipient is likely to view the hospitality. Similarly employees must also decline any invitation or offer of hospitality or entertainment when made with the actual or apparent intent to influence their decisions.
- Must not have the appearance to influence decision-making. Employees should think very carefully before making, or receiving, gifts. Gifts can occasionally be offered to celebrate special occasions (i.e. religious holidays or festivals or the birth of a child) provided such gifts do not exceed INR 5000 in value, and are occasional, appropriate, totally unconditional, and in-fitting with local business practices. No gift should be given or



accepted if it could reasonably be seen improperly to influence the decision-making of the recipient.

- Gifts are never acceptable when these are illegal or unethical, or involve cash or cash equivalent (e.g. loans, stock options, etc). As a non exhaustive example, an invitation to his/her family to join a foreign business trip, or the extension of a trip at the customer's expense to include a holiday, are at all times unacceptable, and employees should not participate in such practices.

- Modest promotional gifts are permitted, e.g. branded pens. Use of one's position with the Company to solicit a gift of any kind is not acceptable. However, the Company allows employees occasionally to receive unsolicited gifts of a very low intrinsic value from business contacts provided the gift is given unconditionally and not in a manner that could influence any decision-making process.

- Even a personal payment for gifts or hospitality in order to avoid the implications of this policy, is also prohibited.

(In some cultures, it may be seen as an insult to reject a gift, and refusals may adversely affect business relationships. In these circumstances, and if the gift is anything other than moderate, the gift should be reported to the reporting manager who will decide whether such gift will be retained or returned. If the reporting manager is uncertain how to treat the gift, he/she should seek clarification from his/her relevant Human Resource (HR) contact.).

5. Donations / Political contributions

Charitable donations / political contributions can be made which are legal and ethical under the local laws and practices. No such donations or contributions should be made without prior approval of the Terminal Head / Business Head. It is recommended that all such donations or contributions are documented with a receipt.

6. Raising concerns / Protections as available

- a. Every employee or associate is encouraged to raise concerns about any bribery issue or suspicion of malpractice or any case of corrupt practice or any breach of this Policy or applicable anti-bribery, anti-corruption law at the earliest possible stage. If he/she is unsure whether a particular act constitutes bribery or corruption or if he/she has any other queries, these should be raised at the following email address: ethics.policy@jmbaxi.com
- b. Any employee or an associate who refuses to accept or offer a bribe, or who raise concerns or report another's wrongdoings, are sometimes worried about possible repercussions. J M Baxi & Co. Group encourages aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even it turns out to be mistaken.



- c. J M Baxi & Co. group is committed to ensuring that no one suffers any detrimental treatment (like, dismissal, disciplinary action, threats or any unfavourable treatment) as a result of refusing to take part in corruption or in raising concerns under this policy in good faith. In such a case, the aggrieved person should inform his/her reporting manager or HR manager / the HR Head of the group, immediately. If the matter is not resolved, the concerned employee should raise the matter by following the procedure laid out in the Whistle Blower Policy.
- d. In case of continued negligence to get remedies, one may also raise concerns or queries to the Chairman of the Audit Committee of the particular company in which he/she is engaged.
- e. Any employee may at any report the genuine concern which shall not be with a malafide intention, OR observation of non-compliance of this policy to the following email id ethics.policy@jmbaxi.com

The details of the person shall be kept confidential.

7. Facilitation payments and kickbacks

The Company prohibits making or accepting, facilitation payments or "kickbacks" of any kind. Any request for a facilitation payment should be refused unless you feel you are at risk of injury, of detention, or for your life, if you refuse. In any of such exceptional circumstances, a receipt should be obtained and the matter should be reported, as soon as possible.

8. Use of Third Parties, Consultants and other intermediaries

Companies cannot avoid liability by using a third party to give or receive a bribe. A third party includes, but is not limited to Agents, Consultants, Advisors, Representatives, Contractors / sub contractors, Service providers. All dealings with suppliers, agents, contractors, service providers, intermediaries, consultants, and advisors, shall be carried out with the highest standards of integrity and in compliance with all relevant laws and regulations. We must clearly convey to third parties representing the Company that we expect them to comply our Anti-Bribery and Anti-Corruption policy and to respect our values and the ethical standards. The following should be kept in mind prior to engaging a third party:

- a. Appropriate due diligence is conducted and properly documented;
- b. Formal commitment (in writing) is sought from the third party to ensure compliance to these standards;
- c. Appropriate anti-bribery and anti-corruption provisions are incorporated in the contracts in consultation with J M Baxi & Co. group Legal team, including the right to audit, as well as a clause on termination, if such third party fails to abide by the anti-bribery and anti-corruption terms.

9. Interaction with Government officials



Laws and regulations are strict when dealing with Government officials. Reasonable corporate hospitality that is acceptable with other business associates might not be allowable when Government officials are involved. Even when any benefit is being offered is small, such as gifts, entertainment, business meals, that would constitute a bribe. So whenever you will deal with government officials or a state-owned (or fully or partially) company, you have a special duty to know and comply with applicable laws and regulations, adhere to the highest standards of integrity. Before any expenses are incurred, you must obtain prior approval from the Terminal Head / Business Head.

10. Responsibilities of employees

Employees must ensure that they have read and understood this policy and, must at all times comply with the terms and conditions of this policy. All employees are required to avoid any activity that might lead to or indicate a breach of this policy. Employees must notify their reporting manager or consult Human Resource (HR) team as soon as possible if they believe or suspect, or have a reason to believe or suspect that a breach of this policy has occurred, or may occur in the future. A failure to report an actual or suspected breach of this policy is itself a breach of this policy. Any employee who breaches any of the terms of this policy will face disciplinary action, which could result in dismissal for gross misconduct. The Company reserves its right to terminate a contractual relationship with the employees, terminate services of an employee and other employed persons, as the case may be, if they breach any of the terms and conditions of this policy.

11. Keeping of records and Internal controls

Respective companies and establishments will keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to, and receiving payments from, third parties. Employees must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review and/or a review of Company's Human Resource (HR) team. Employees must ensure that all expense claims, regardless of value, relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the Company's applicable policy and specifically record the reason for such expenditure. Employees shall further ensure that all expense claims shall comply with the terms and conditions of this policy. All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No records shall ever be kept "off-book" to facilitate or conceal improper payments.

In case books and records do not accurately reflect a transaction or expense, the concerned employee / associate must report this issue immediately to the appropriate authority.

12. Training and communication



Dissemination of this policy for new joiners shall be carried out at the time of induction. This policy will also be shared with all existing employees. If you have any queries about this policy, you should contact your reporting manager. Group's zero-tolerance approach to bribery and corruption should be communicated to all agents, suppliers, contractors and business partners at the outset of the Company's business relationship with them and as appropriate thereafter. Wherever possible, all third parties should be sent a copy of this policy at the outset of the business relationship.

13. Responsibility for compliance of the policy

The board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it. The Terminal Head / Business Head along with the Head of Human Resource Department of the respective terminal / business has primary day-to-day responsibility for implementing this policy who will act under the guidance of the Group HR Head. Management at all levels are responsible for ensuring that those reporting to them are made aware of and understand this policy and, if necessary and considered appropriate, are given adequate and regular training on it.

14. Monitoring and review

Based on the quarterly compliance reports submitted by the Terminal Heads / Business Heads, the head of the Human Resources Department of the Terminal /Business along with the Group HR Head will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvement identified will be made and incorporated as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption. All employees are responsible for the success of this policy and should ensure that they use it to disclose any suspected danger or wrongdoing.

Employees are invited to comment on this policy and suggest ways and means in which it might be improved. Comments, suggestions and queries should be addressed to the Group HR Head. This policy will be considered as part of the employee's contract of employment. This Policy may be amended at any time by the appropriate authority.

15. Potential risk scenarios - "red flags"

This section contains a list of possible red flags that may arise during the course of business. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any red flags you must report them promptly to the appropriate authority or by following the procedures set out in the Whistle Blower policy:

(a) Being aware that a third party engages in, or has been accused of engaging in, improper business practices;



- (b) Learning that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- (c) A third party insists on receiving a commission or payment of fees before committing to sign up to a contract with us, or carrying out a government function or process for us;
- (d) A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (e) A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (f) A third party requests an unexpected additional fee or commission to "facilitate" a service;
- (g) A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (h) A third party requests that a payment is made to "overlook" potential legal violations;
- (i) A third party requests that you provide employment or some other advantage to a friend or relative;
- (j) You receive an invoice from a third party that appears to be non-standard or customised
- (k) A third party insists on the use of side letters or refuses to put terms agreed in writing;
- (l) You observe that the Company has been invoiced for a commission or fee payment that appears large compared to the service stated to have been provided
- (m) A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to the Company; and/or
- (n) You are offered an unusually generous gift or lavish hospitality by a third party.

16. Few Examples of Bribery

This section contains a list of examples of prohibited bribery. It is not intended to be exhaustive and is for illustrative purposes only.

- Offering a bribe

You offer a potential customer tickets to a major sporting event, but only if they agree to do business with us. This would be an offence (by you) as you are making the offer to gain an improper commercial and contractual advantage. The Company may also be found to have committed an offence because the offer has been made improperly to obtain business for us. It may also be an offence for the potential customer to accept your offer.

- Receiving a bribe



A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain an improper personal advantage.

17. Exception(s)

Any exceptions to this Policy must be approved by the Terminal Head / Business Head in consultation with the Group HR Head.



J M BAXI & CO. GROUP

Prevention of Money Laundering

1. Policy Statement And Purpose -

The Government of India has enacted the Prevention of Money Laundering Act, 2002 and issued rules and regulations thereunder ("PMLA") for preventing money laundering and countering the financing of terrorism in India, with effect from July 1, 2005. The PMLA defines the offence of money laundering as "Whosoever directly or indirectly attempts to indulge or knowingly assists or is a party in any process or activity connected with the proceeds of crime and projects it as untainted property, shall be guilty of offence of money laundering."

The phrase "money laundering" is generally understood to mean any act or attempted act to conceal or disguise the true origin and ownership of illegally obtained proceeds so that they appear to have originated from legitimate sources thereby avoiding prosecution, conviction and confiscation of the illegal proceeds. Money laundering can be used by terrorist organizations, tax evaders, smugglers, by those engaged in bribery, or anyone who receives money for illegal activities or through illegal means.

Money laundering can be used by terrorist organizations, tax evaders, smugglers, by those engaged in bribery, or anyone who receives money for illegal activities or through illegal means. Countering money laundering is of critical importance as it ensures that illegal funds do not remain hidden and do not get integrated into legal business and consequently into the legal economy.

Money laundering usually consists of 3 (three) steps:

- a. Placement: This is the initial stage and during this stage, the money generated from illegal/criminal activity such as sale of drugs, illegal firearms, etc. is disposed of. Funds are deposited into financial institutions or converted into negotiable instruments such as money orders or traveler's cheques. For example, cash received by a drug smuggler can be taken to a bank and changed into a money order or traveler's cheque.
- b. Layering: In this stage, funds are moved into other accounts in an effort to hide their origin. This is achieved by creating layers of transactions, by moving the illicit funds between accounts, between businesses, and by buying and selling assets on a local and international basis until the original source of the money is virtually untraceable. Thus, a trail of unusual complex transactions are created to disguise the original source of funds and thereby to make it appear legitimate. For example, money can be moved into and out of various offshore bank accounts



through electronic funds transfers.

- c. Integration: Once the illegitimate money is successfully integrated into the financial system, these illicit funds are reintroduced into the economy and financial system and often used to purchase legitimate assets, fund legitimate businesses, or conduct other criminal activity. The transactions are made in such a manner so as to appear as being made out of legitimate funds.

At J M Baxi, we are committed to complying with all applicable PMLA laws in the conduct of our business. Our employees and associates acknowledge that failing to detect customer relationships and transactions that place our Company at risk, could cause irreparable harm to our reputation. So the employees and associates related with this group make it as an obligation to take all precautionary measures to detect any such money laundering process and carry out necessary due diligence before entering into any contract/s. Towards this objective, we must conduct business only with reputed customers who are involved in legitimate business activities and whose funds are derived from legitimate sources.

2. J M Baxi & Co. Group - Anti Money laundering Policy

The purpose of this Anti-Money Laundering Policy (“AML Policy”) is to prevent any involvement by J M Baxi & Co. group in money laundering activity even where the involvement may be unintentional. It requires our directors, officers, other employees and those who work with us to recognize questionable financial transactions, and to take steps to conduct appropriate additional due diligence. If any ‘Red Flag’, whether or not listed in this AML Policy is triggered, the concerned persons need to promptly contact the Departmental Head / Regional HR Head / Terminal Head / Business Head to facilitate any further due diligence or action that may be needed. This Group is committed to cooperate with the law enforcement and regulatory agencies enforcing anti-money laundering laws and regulations.

This AML Policy constitutes a minimum standard. It must be complied with in any country in which this Group does business even when the policy is stricter than the anti-money laundering laws that are applicable in that country, including both applicable local laws and those laws with extra territorial application. However, when applicable anti-money laundering laws are stricter than this policy, such laws must be complied with.

The guidelines in this AML Policy supplement the Employee Code of Conduct and should be read in conjunction with:

- a) Employee Code of Conduct
- b) The Whistle blower Policy;
- c) The Anti-Bribery and Anti-Corruption Policy;
- d) Any guidance or notification in relation to this policy;
- e) Any other relevant policies as may be implemented from time to time.



Because no code of conduct or policy can cover every possible situation, our Company or Group as a whole relies on the Employee to use good judgment and to speak up when they have either questions or concerns.

3. Scope and Applicability

This AML Policy is applicable to all individuals working at all levels and grades, including directors, senior managers, officers, other employees (whether permanent, contractual or temporary), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, or any other person associated with our Company and such other persons including those designated from time to time.

The Terminal Head / Business Head of the respective terminals / businesses along with the Human Resources Department of the terminal/ business has primary responsibility for implementing this policy and report to the HR Head of the Group who shall undertake periodic review, monitor the effectiveness and suitability, update this policy to reflect applicable laws and management decision. Management at all levels are responsible to ensure that those reporting to them are made aware of and understand this policy, comply all such rules with zero tolerance approach (in case of non compliance) and, if considered necessary, are given adequate training.

4. Compliance and Monitoring

Unless otherwise specified, the Terminal Head / Business Head along with the HR Head of the respective Terminal / Business will ensure compliance with all rules & regulations under PMLA and for the purpose with the provisions of this AML Policy. All queries, reports, complaints, doubts or concerns in relation to application of PMLA and this AML Policy shall be raised by the Designated Persons to the Terminal Head / Business Head. Any action required to be undertaken under this AML Policy shall be taken by the Terminal Head / Business Head jointly with the HR Head of the Group in accordance with this AML Policy. Based on the quarterly reports from the Terminal Head / Business Head, the Managing Director / CEO along with the Company Secretary shall submit quarterly compliance reports to the Board of Directors, inter-alia, highlighting exceptions to the AML Policy.

5. Money laundering is a global problem, and many countries, and organizations have enacted laws to combat it. Compliance with AML and anti-terrorism laws and regulations requires an awareness of possible 'Red Flags' or suspicious activities, which may arise in the course of conducting business. When 'Red Flags' are identified, an appropriate level of additional due diligence must be performed and additional approvals should be obtained.

6. Potential Red flags

While an exhaustive list cannot be provided, set out below are indicative actions or situations or parties that Employee should be careful about - which when appearing together or individually should raise 'Red flag' concerns (each, whether or not listed herein, a "Red Flag"):

- Customers or suppliers who are connected to countries identified as non-cooperative by the 'Financial Action Task Force on Money Laundering' established by the G-7 Summit in 1987, and international organisations against money laundering;
- Customers or suppliers who are reluctant to provide complete information and/or provide insufficient, false, or suspicious information or who are unwilling to comply with our Company's KYC norms as may be in force from time to time;
- Customers or suppliers who appear to be acting as an agent for another company or individual, but decline or are reluctant to provide information regarding that company or individual;
- Customers or suppliers who express concern about, or want to avoid, reporting or record-keeping requirements;
- Payments of amounts in excess of Rs.20,000/- (Rupees Twenty Thousand) only made in cash or cash equivalents, such as money orders, traveller's cheques, internet currencies or prepaid cash cards. Acceptance of such amounts of cash or cash equivalents as a form of payment by our Company is strongly discouraged. Cash payments are commonly used by money launderers, and leave very little in the way of audit trails. Alternative methods of payment which provide a stronger audit trail should be offered. Particular care should be taken with regard to customers and suppliers who structure the payments to avoid the relevant government reporting requirements for cash and cash equivalent payments (for example by making multiple smaller payments or payments from multiple sources);
- The purchase of products, or a large volume purchase, that appears to be inconsistent with a customer's normal ordering pattern, and in the absence of any legitimate business reason such as a special price promotion;
- Complex deal structures or payment patterns that reflect no real business purpose or economic sense;
- Requests for payment to be made through an unrelated country or to an unrelated third party;
- Multiple partial payments from various parties on behalf of a single customer and/or multiple partial payments from various locations. Also included are "double endorsed" or "third party" cheques, where a customer endorses over to a company as payment for their invoice a cheque that was originally made out to the customer;
- Customers or suppliers whose address is not a physical site;



- Customers making a funds deposit followed by an immediate request that the money be wired out or transferred to a third party, or to another firm, without any apparent business purpose;
- Customers paying in one form of payment and then requesting a refund of the payment in another form e.g. paying by credit card and requesting a wire transfer or cash refund.

7. Compliance Steps

Each Employee is required to ensure that he/she undertakes the following steps in course of the business operations of the Company or any other establishment under J M Baxi & Co. group, where he is engaged, and in relation to his responsibility towards money laundering :

- Know your Customers (business partners) (KYC) : Where appropriate, Employee should conduct integrity assessments and other due diligence exercises and be familiar with business practices of customers and suppliers.
- Monitor financial activity : Employees are required to observe and record payments and transactions consistent with all established policies and procedures and follow global financial standards for acceptable forms of payment.
- Keep complete records : Employee should always keep current, complete and accurate records of every business transaction.
- Report any suspicious activity : Each Employee has an obligation under this AML Policy to immediately and, without delay, report to the Terminal Head / Business Head or by emailing it to ethics.policy@jmbaxi.com about any Suspicious Transaction (as defined below) or suspicious activity or 'RedFlag' concern ("Report"). Each Employee shall be aware of and follow country legal requirements for the reporting of cash transactions.
- Reporting/action by the Terminal Head / Business Head. : When setting up internal procedures, the Terminal Head / Business Head may adopt a 'risk-based approach' to KYC and AML compliances. Consequently, there will be circumstances when it will be both necessary and permissible to apply commercial judgment to a Report received by the Terminal Head / Business Head.. Based on the facts and circumstances of an incident covered in a Report, the Terminal Head / Business Head shall take one or more steps, such as (a) probe into the incident himself/herself, (b) set up an internal enquiry into the incident, (c) in case of Aggravated Cases determine and recommend whether a reporting of the incident should be made to the appropriate authority.
- Cooperate fully for enforcing anti-money laundering laws : The Terminal Head / Business Head shall be the Company's point of contact for coordinating with all law enforcement and regulatory agencies for all compliance reporting and investigations.
- Maintenance of records: Records confirming the identity of customers, suppliers, contractors, investors and other persons should be retained for such number of



years as prescribed in the Know-Your-Customer policy of our Company.

8. Violations

Violations under this AML Policy include the following actions by an Employee:

- Any violation of the compliance steps under this AML Policy by an Employee;
- On-boarding a customer, supplier, contractor, agent, or investor in contravention of the KYC Policy;
- Requesting others to violate the AML Policy;
- Failure to promptly raise a known or suspected violation of the AML Policy or notify a potential 'RedFlag' or suspicious transactions;
- Failure to cooperate in investigations of possible AML Policy violations;
- Retaliation against another employee for reporting a concern under the AML Policy;
- Failure to demonstrate leadership, initiative, and diligence to ensure compliance with the AML Policy, PMLA and other applicable laws;
- Involvement in any form of money laundering activities, whether in the course of employment with any Company or any other organization under J M Baxi & Co. Group or, otherwise.

9. Consequences of violation of this AML Provisions by an employee -

In case of violations of the AML provisions, the Terminal Head / Business Head in consultation with Group HR Head shall, have the discretion to do the following:

- **Corrective Action:**
If necessary, corrective actions shall be prescribed to appropriate managers, officers, or other employees for implementation.
- **Penalties:** Based on the investigation reports (if any) the following actions may be recommended:
- appropriate disciplinary action, including suspension and termination of service, against such a defaulting Employee.
- Depending on the nature and scale of default of the AML Policy by the defaulting Employee, civil and/or criminal proceedings against such a Employee in order to enforce remedies available to our Company under applicable laws.



VENDOR AFFIRMATION TO ETHICS POLICY

We, M/s. _____ ('Service Provider/Contractor') having PAN _____/GSTIN _____ hereby confirm and affirm the following:

3. We have read and understood the Ethics policy of J M Baxi & Co. Group / International Cargo Terminals And Infrastructure Private Limited (ICTIPL).
4. We have not indulged in any activity that potentially violates the provisions of Prevention of Money Laundering Act 2002, Prevention of Corruption Act 1988 and Indian Penal Code 1860 pertaining to prevention of all or any activities related to corruption.
5. We have not indulged in any activity that potentially violates any of the provisions of the Ethics policy. Any breach including a potential breach constitutes a material breach of any contract, existing or potential, with the Company.
6. We acknowledge and agree that ICTIPL shall not be under any obligation to carry out any action or make any omission under any Contract to the extent that ICTIPL reasonably believes that it would be in breach of any extant Anti-Corruption Legislation.
7. We have, and will maintain in place, adequate procedures designed to prevent any Associated Person or Third party with whom we are associated, from undertaking any conduct that would give rise to an offence under the Prevention of Money Laundering Act 2002, Prevention of Corruption Act 1988 and Indian Penal Code 1860.
8. We and each of our employees, directors, officers, subcontractors, agents and representatives that will do anything on its behalf in relation to its selection as the Service Provider and the performance of its obligations under this Contract, has not taken, and will not take, in the name of, for the account of or on behalf of ICTIPL, any actions in furtherance of (and it has not omitted to and will not omit to take any action preventing):
 - (i) an offer, payment, gift, promise to pay or give, or authorisation of the payment or giving of any money or anything else of value to any public official or to any other person or entity; or
 - (ii) the request for, agreement to or acceptance of any payment, gift, money or anything else of value, in each case, which constitutes a breach of any Anti-Corruption Legislation;
9. We will keep accurate and detailed books, accounts, and records on all business activity conducted pursuant to our contractual dealings with ICTIPL.
10. Subject to such reasonable restrictions as may be mutually agreed, at the request of ICTIPL, we will confirm in writing that we have complied with the undertakings under clauses 1 to 7 above and will provide access to such people and/or information reasonably requested by ICTIPL in support of such compliance.



Personal Commitment to affirm to the Ethics Policy of J M Baxi & Co. group of Companies

I acknowledge that I have read and familiarized myself with the Anti Bribery & Anti Corruption / Ethics policy of J M Baxi & Co. Group (-----name of entity) and understand my obligations as an employee.

I undertake to affirm and uphold the principles of the Ethics policy and shall endeavour always to comply with the principles stated therein during the term of my employment (including any amendments, if any, from time to time).

Signature:_____ Date:_____

Name: _____ Employee ID: _____