



Policy on Anti-Corruption, Anti-Bribery, Fraud, Conflict of Interest, Money Laundering And Anti-Competition

J. G. Chemicals Pvt. Ltd. (JGCPL) is committed to high ethical standards, doing open and fair business, follow best practices of corporate governance and support the business reputation at the appropriate level.

OBJECTIVES

The aims and objectives of the Policy are to inter alia:

- ⌚ encourage employees and management to
 - act honourably and with integrity in all business dealings of the Company.
 - identify and address appropriately any potential conflicts of interest
 - recognize the duty of confidentiality to the Company's relationships and give it the highest importance
 - initiate steps to ensure that no financial or other inducements are offered or accepted by or on behalf of the Company.
- ⌚ encourage employees and management to be vigilant and to act diligently in good faith.
- ⌚ monitor and investigate instances of alleged corruption.
- ⌚ take action against any individual(s) involved in corruption.
- ⌚ minimize the risk of involvement of all employees and management in corruption related activities;
- ⌚ form a common understanding for all stakeholders that the Company opposes bribery and corruption in any form (which may include fraud, money-laundering, conflict of interest or anti-competitive actions);
- ⌚ Provide advice, information and training on ethics to all our employees at all levels and locations

APPLICABILITY

The Policy would be applicable to:

- ⌚ All management and Employees of the Company, and
- ⌚ Partners and Representatives or any other persons/individuals, who may be acting on behalf of the Company

POLICY

"Corrupt Practices" will be considered - giving or receiving financial or other inducements, intermediation in giving or receiving financial or other inducements, malpractice, misuse of official authority, facilitation 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, as well as cartelization.

In view of the above, the management and the employees of the Company are strictly prohibited, whether directly or indirectly, personally or through the mediation of third parties, to be involved in corrupt activities, offer, gift, promise, request and receive

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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, using money obtained through illegal sources (money laundering) in furtherance of Company's business interests and indulging in activities leading to anti- competition.

RESTRICTIVE/ PROHIBITIVE PRACTICES

Given below is an Illustrative List of acts /practices which are restricted / prohibited under the policy framework:

1. Dishonest misappropriation of property/money.
2. Criminal breach of trust.
3. Cheating.
4. Receiving or giving bribe.
5. Charity in order to obtain commercial advantages.
6. Participation/Contribution in/to Political Activities.
7. Payment of any costs for government officers and their relatives (or in their interests) in order to obtain commercial advantages,
5. Acceptance /giving of Gifts over and above the extent and the manner as allowed hereunder:-

A. Gifts and representative expenses including the hospitality business/entertainment expenses which the employee may provide on behalf of the Company to the individuals or organizations, or which the employees may receive in connection with their work in the Company from other persons and organizations, must meet the following criteria:

- (a) to be directly related to the legitimate activity of the Company or with common holidays such as New Year/Diwali/Christmas/International Women's Day/Anniversaries/ Birthdays;
- (b) to be reasonable, proportionate and not be a luxury;
- (c) not to be a hidden fee for the service, act, omission, conniving, protection, provision of rights, making of certain decision on transaction, agreement, license, permit, etc. or attempt to influence the recipient to indulge in any illegal or unethical activity;
- (d) not to create a reputational risk for the Company, employees, and other persons, in case of disclosure of information on gifts or representative expenses;
- (e) not to be in conflict with the principles and requirements of the Policy, the Code of Conduct and other internal documents of the Company and the applicable laws.

B. Gifts on behalf of the Company, its employees and representatives to third parties shall be subject to the Gift Policy of the Company.

9. Any other unethical act or omission.

REPORTING OF VIOLATIONS

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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 Guidelines are not being complied with or they are being asked to carry out any act not in compliance with these Guidelines, these concerns must be raised immediately with the immediate superior. If the immediate superior is not the appropriate person, then the employee's concerns must be brought directly to the attention of the Director & CEO

RESPONSIBILITY

The members of the Board of Directors, and employees of all functions of the Company, regardless of position and designation, are personally responsible for compliance with the principles and requirements of the Policy, as well as the actions (inaction) of their subordinates, who violate these principles and requirements.

CONFLICTS OF INTEREST

At JGCPL, we have an obligation to work in the best interests of the company, and as such employees and management have an obligation to avoid or disclose situations where our private, financial, or other external interests conflict with our job responsibilities. In some cases, just the appearance of a conflict may damage our reputation or effectiveness.

ANTI-MONEY LAUNDERING

Money laundering allows criminals and others to disguise the source of funds obtained illegally. These funds may come from or support activities like human trafficking, drug trafficking, terrorism, blackmail, or fraud. JGCPL does not facilitate or support money laundering. For prevention of money laundering, management and employees are required to:

- A) Know the customer, understand the terms of all transactions, and be alert for signs of money laundering.
- B) Report any suspicious transactions to the company, including third party payments, large cash purchases, or the use of cash equivalents.

FAIR COMPETITION

Our competitors include any independent company that competes or could compete with the JGCPL in a particular market.

We trust that our products will succeed in a competitive marketplace and a fair market benefits us. We compete on the merit of our products and do not take actions that are illegal under the competition laws, such as colluding with competitors.

JGCPL identifies typically four types of cartelisation that company vows not to engage in under any circumstances and these are as follows:

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- Price Fixing – companies agree to act in concert to raise or drop prices
- Market Sharing – companies divide market by territory or customers among themselves
- Output Restriction – companies agree to restrict output with the objective of creating a scarcity of the product thus impacting hike in prices
- Bid Rigging – also known as collusive tendering. Competing firms agree to restrict competition by bidding at same price

We treat our suppliers in a professional manner and choose suppliers on the basis of objective criteria. Because this is a complex area, it's critical to know what's required and as such also consult with our Legal Compliance as needed.

COMMUNICATION

The Company's approach of anti- bribery and corruption to be communicated to all suppliers, contractors, agents and business and other partners at the outset of the Company's relationship with them and as appropriate thereafter.

AMENDMENTS

The right to interpret/amend/modify this Policy vests in Director & CEO of the Company.

**By Order of CEO & Director
JG Chemicals Pvt. Ltd.**

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