



## **MADHUCON PROJECTS LIMITED**

### **Corporate Social Responsibility (CSR) Policy**

#### **Preamble:**

Madhucon Projects Limited (MPL) is a listed Public Limited Company engaged in execution of Infrastructure Projects, such as construction of National Highways, Fly-Overs, Dams, Tunnels, Aquaducts, Bridges, Coal Handling Plants, Workshops Property Development Projects including High Rise structures, Hospitality and retail industry structures etc. The promoters have endeavor to extend the charitable services to the Society as a whole and are undertaking the philanthropic activities for the welfare of the community where projects are located as early as 1996.

#### **Objectives:**

The Company has taken as its obligation to the society for its welfare and sustainable development by identifying the under privileged people in under developed areas with special emphasis and on areas where the company operates and provide the various services to the needy. The purpose of these efforts would be not only to help people by providing facilities for health, education, civic amenities etc. but also to create opportunities for development of skills, employment including self-employment and to improve quality and dignity of life.

#### **CSR Committee:**

CSR Committee of the Board has been constituted with the advent of the Companies Act, 2013 vide Board Resolution dated November, 14, 2014 which comprising of the following members.

Smt. Ch. Lakshmi Kumari, Independent Director as Chairman  
Sri N. Seethaiah, Managing Director as Member  
Sri Kandimalla KVN Prasad, Independent Director as Member

The Committee has framed and recommended the CSR Policy of the Company which indicates the activities to be undertaken by the Company and the same has been approved by the Board.

## **CSR Policy & Activities**

CSR Policy of the Company indicates the following CSR activities, out of which the Company will select one or more for implementation in the area of its operation.

- i. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports,
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- x. Rural development projects

### **Geographical Reach**

The Company shall give preference to the local area and areas around it operates for spending the amount earmarked for CSR activities.

CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure.

### **Funding:**

Pursuant to the provisions of the Act, 2% of the average net profit of the Company for the last 3 (Three) financial years needs to be allocated towards CSR activities in every financial year.

From the annual CSR Budget, provision will be made towards CSR activities on a year-on-year basis. The total CSR Expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation by the CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of CSR activities as per the CSR Policy.

The Company may build CSR Capacities of their own personnel as well as those of their implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five percent of total CSR expenditure of the Company in one financial year.

### **Implementation:**

The CSR activities shall be undertaken by the Company as per its stated CSR policy.

The Board of a Company may decide to undertake its CSR activities through a registered trust or a registered society or a company established by the

Company. The Company may also collaborate with other Companies for undertaking CSR projects.

All approved CSR Projects are to be implemented in accordance with timeline prescribed by the CSR Committee.

**Monitoring and Reporting Mechanism:**

The Board shall ensure that the activities as included in CSR Policy of the Company are undertaken by the Company.

CSR Committee has to monitor the CSR projects and programs undertaken by the company and also CSR policy of the Company from time to time.

The Board shall disclose contents of CSR Policy in its report and also place it on the Company's website.

The Board's Report shall also include an annual report of CSR and the same shall be displayed on the Company's website in such manner as prescribed.

If the Company fails to spend such amount recommended by the CSR Committee, the Board shall in its report specify the reasons for not spending the amount.

**Amendment of CSR Policy:**

The Board of Directors shall be empowered to amend or modify the CSR Policy as per the recommendations of CSR Committee as and when required as deemed fit.