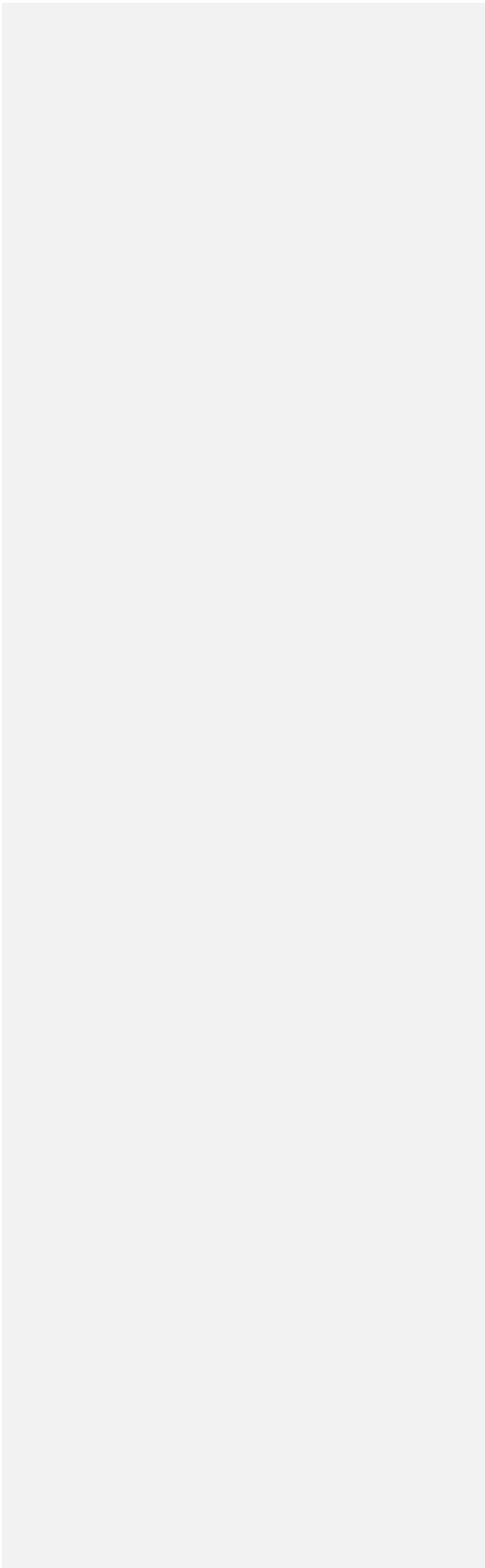


ANTI-BRIBERY AND ANTI-CORRUPTION POLICY



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ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

1. PURPOSE

The purpose of this document is to present a policy statement and provide standards of conduct for the Company (*defined below*) for compliance with the laws related to anti-bribery and anti-corruption (hereinafter referred to as the **ABAC Policy**).

The objective of framing this ABAC Policy is to ensure that Madhucon Projects Limited and its subsidiaries/affiliates (**Company**) and all other Covered Persons (*defined below*) to whom this ABAC Policy shall apply, conduct their operations and business activities in consonance with applicable laws, highest ethical standards and ensure the prevention and detection of fraud, bribery, and corruption.

The Company prohibits bribery – both public and national statutes, such as the US Foreign Corrupt Practices Act, 1977, the UK Bribery Act, 2010, Indian Prevention of Corruption Act, 1988 and those in effect in jurisdiction (**Anti-Corruption Laws**).

This ABAC Policy does not address and does not purport to address every potential scenario that may implicate issues bearing on compliance with applicable anti-bribery or anti-corruption laws, and the Company relies on the Covered Persons to use good judgment and to raise any questions or concerns. All questions concerning the interpretation of this ABAC Policy, applicability of this ABAC Policy to the Covered Persons regarding potential violations should be addressed to the Ethics and Compliance Officer.

2. SCOPE

The ABAC Policy is applicable to all Covered Persons working at all levels and grades, including directors and senior management, other senior executives, trainees, interns, seconded staff, engaged by the Company. The ABAC Policy is also applicable to third parties engaged by the Company in relation to any of the operations of the Company, and such third parties include vendors, consultants, contractors, sub-contractors and any business partners (such as joint ventures, affiliates and subsidiaries) (all of the aforesaid being collectively referred to as **Covered Persons**).

Every Covered Person must read and understand the contents of this manual. Anyone not complying with the Policy's requirements will be subject to appropriate disciplinary action. This may include termination of employment / relationship with Company and in certain cases may involve penalties imposed by authorities including fines and imprisonment.

The Ethics and Compliance Officer is responsible for all the processes and procedures to ensure Company is not exposed to the risk of corruption.

All risk assessments need to be approved by the Audit Committee (as defined in the Code of Conduct) and in case they consider one to be high-risk, the proposal needs to be approved by the Board prior to Company bidding for the project.

In the event that an allegation is made against a Covered Persons, the investigation shall be done as per the Company's Whistle-blower Policy

3. PROHIBITION OF CORRUPTION IMPROPER PAYMENTS AND OTHER FORMS OF BRIBERY

3.1. Bribery

Bribery generally refers to an act of paying or offering to pay money or giving or offering to give or authorising to provide anything of value, to improperly influence actions of another person (including someone in business or any government entity or public official in order to obtain or retain an improper business advantage, or to induce or reward the recipient for acting improperly. Bribes generally involve payments (or promises of payments) but may also include the provision of favours that are of significant value to the recipient as well as lavish/inappropriate gifts and hospitality. Bribery can also take place where the offer or payment is made by or through a third party (such as vendors, consultants, contractors or sub-contractors) on behalf of the Company. All Covered Persons must be alert to the possibility that a benefit given or offered to an associate, such as a relative or business partner, or channelled through an agent or other intermediary, may be a bribe. Recklessness or “wilful blindness” to such incidences is likely to be in contravention of applicable laws and/or regulations and will amount to a breach under this Policy.

The term **anything of value** includes, but is not limited to, cash or cash equivalents, gifts or gift certificates, services, employment offers, loans, travel expenses, entertainment, political contributions, charitable donations, use of corporate assets (such as club memberships, apartments or condos), subsidies, per diem payments, sponsorships, honoraria, rewards, advantages, benefits of any kind or provision of any other asset, even if of modest value.

Government entities include (a) any central, national, state, provincial, city, municipal or local government, governmental authority or political subdivision thereof; (b) any agency or instrumentality of any of the authorities referred to in (a) above; (c) any regulatory or administrative authority, body or other organisation, to the extent that the rules, regulations, standards, requirements, procedures or orders of such authority, body or other organisation have the force of applicable law; (d) any court or tribunal of competent jurisdiction; (e) any quasi-governmental or private body exercising any regulatory authority or any entity that owned or controlled by any Government Entity; (f) public international organizations; or (g) political parties and political campaign organizations.

Public official means (i) anyone in the service, of the Central Government, State Government or an instrumentality of the Central and State Government and includes inter alia persons employed by any government ministry, department or agency, an official of a political party; (ii) a candidate for political office, members of Parliament or other legislative bodies, ministers of finance; (iii) other financial regulators, governors or provincial or district leaders; (iv) members of the judiciary, government enforcement authorities, anyone working in city and local governments, at any level etc; (v) any person identified as a public official under local laws; (vi) politically exposed persons, i.e., former senior public officials, family members of current and former public officials; ~~and~~ (vi) known close associates, either socially or professionally, of such current and former public officials; and (vii) employees and representatives of public international organizations. The officials of banks, who are dealing with public or performing public duty are also considered public officials.

Bribes and kickbacks can therefore include, but are not limited to:

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- (a) extravagant gifts or excessive entertainment, including inappropriate meals, hospitality, travel or accommodation expenses;
- (b) any cash payments, whether made directly or indirectly by third parties acting on the Company's behalf;
- (c) employment or internship or business opportunities provided to the government entities or public officials or their relatives; or
- (d) favours/facilitation payments provided in exchange for a business advantage.

Bribery in any form, whether a public bribery or commercial bribery (i.e., to persons other than government entities or public officials) is strictly prohibited.

3.2. **Corruption**

Corruption shall include bribery, facilitation payments or other forms of improper business practices which amount to a misuse of power or office in the public or private sector for private or commercial gain.

3.3. **Facilitation payments**

Facilitation payments are payments made directly to a government official or employee for their personal benefit, to expedite or secure the performance of governmental action by a governmental agency (e.g., to facilitate the expedition of applications, minor licenses, etc.).

3.4. **Other conduct**

Other behaviour which could constitute bribery and corruption includes political or charitable contributions/donations, sponsorship, offsetting arrangements and "revolving doors" arrangements, where such behaviour seeks to improperly influence an individual or organisation.

4. **PROHIBITIONS AND RESPONSIBILITIES**

Covered Persons are strictly prohibited from the following activities (collectively referred to as **Prohibited Activities**):

- (a) offering, promising, giving or authorizing, directly or indirectly, anything of value to or for the benefit of any person (whether in the public or private sector) in order to influence a Public Official in his official capacity or to improperly obtain or retain any business or other advantage for the Company, for themselves, or for their family, friends, associates or acquaintances;
- (b) soliciting, accepting, agreeing to accept or receiving (whether for the Company's benefit, their own benefit or that of their family, friends, associates or acquaintances) anything of value from any person (whether in the public or private sector) in return for improperly providing any business or any other advantage;
- (c) otherwise using illegal or improper means (including bribes, favours, blackmail, financial payments, inducements, secret commissions or other rewards) to influence the actions of others;

- (d) acting as an intermediary for a third party in furtherance of any of the foregoing acts by the third party;
- (e) paying any facilitation payments; or
- (f) indulging or taking part in any activity that results in money laundering, terrorist financing or gives rise to any suspicious transactions.

Covered Persons are required to comply with the specific prohibitions in this ABAC Policy, regardless of whether or not such person is acting on behalf of the Company. Covered Persons shall be responsible for complying with all applicable laws in relation to Prohibited Activities. In the event any such applicable laws set standards that are more restrictive than this ABAC Policy, Covered Persons must comply with such higher standards and restrictions as may be set out under applicable law.

Covered Persons are responsible for reporting any anti-corruption concerns to the Ethics and Compliance Officer. The investigation into any violations of the ABAC Policy shall be undertaken in accordance with procedures laid down under the Whistle-blower Policy.

5. THIRD PARTIES

The Company is responsible for acts of bribery by contractors, agents, representatives and any of its third parties with which it does business. All third parties acting for or on behalf of the Company must comply with all applicable laws relating to anti-bribery and anti-corruption. The Company takes reasonable steps to ensure that its business partners are made aware of, understand, and adhere to this ABAC Policy and has adopted appropriate anti-bribery clauses to be included in contracts through which it obligates them to prevent bribery and corruption.

6. RISK ASSESSMENT

The Company shall assess the nature and extent of its exposure to potential external and internal risk of bribery and corruption periodically and shall keep a check on compliance risk and the adequate procedures on an ongoing basis and ensure that appropriate system of internal control is in place which includes continuous monitoring and review of the compliances.

7. INTERACTION WITH GOVERNMENT OR PUBLIC OFFICIALS

- 7.1. Any interaction with public officials including formal or informal engagements (such as licences, inspections, business courtesies etc.) must comply with applicable laws and regulations, the Company's Code of Conduct, the ABAC Policy and other relevant policies.
- 7.2. When interacting with public authorities, the Covered Persons must at all times act with honesty, integrity, in a fair and professional manner; and must always be open, transparent and accurate about the purpose of the interaction.
- 7.3. In situations not governed by specific laws or internal rules, Covered Persons shall use good judgement and common sense, always guided by the principles set out under the ABAC Policy and in case of reasonable doubt, seek advice and direction from the Ethics and Compliance Officer.

- 7.4. Covered Persons must never, directly or indirectly or through intermediaries, offer or promise any financial or other advantage to public officials for the purpose of obtaining information or influencing their decision-making. Moreover, the Covered Persons must refrain from any activity or behaviour that could give rise to the appearance or suspicion of such conduct or the attempt thereof.
- 7.5. While engaging with any public official or employing former public officials, measures should be taken to fully understand and comply with the rules and regulations laid down by the government, the relevant institution and with established best-practices particularly with regard to confidentiality and potential conflict of interest.

8. REPORTING AND TRAINING

- 8.1. Covered Persons is responsible for reporting any incident involving bribery. It is, therefore, important to understand the content of the manual and in particular, what may be considered a bribe. Covered Persons are encouraged to seek the guidance of the Ethics and Compliance Officer in this regard.

8.1.1. The contact details of the Ethics and Compliance Officer are as follows:

Mr. K. Venkateshwarelu: cco@madhucon.com

- 8.1.2. The Covered Persons should report any such incident and the same shall be investigated to a reasonable conclusion. The Covered Persons should refer to the Whistle blower Policy in this regard.
- 8.2. The Ethics and Compliance officer shall periodically report to the Audit Committee, as defined in the Code of Conduct.
- 8.3. The Audit Committee shall annually review the any instances or incidents involving bribery and ensure the investigation and closure of any complaints received in this regard. The Audit Committee will monitor the effectiveness of the ABAC policy on a regular basis and take proactive steps to ensure that the Covered Persons are compliant with the ABAC policy.
- 8.4. Every new joiner must undergo a mandatory anti-corruption training upon joining. In addition, every Covered Persons (manager-grade and above) must undergo a mandatory refresher course every year. For staff levels less than Manager, a mandatory anti-corruption awareness course will be conducted annually. Signed attendance sheets must be maintained by the Company as evidence that the Covered Persons attended the course. Upon completion of the training / course, each Covered Persons must sign-off and acknowledge that he/she has undergone the training and understands the content of this manual. This acknowledgment must be retained in a file for record. The format of acknowledgment is provided in **Annexure I**.
- 8.5. The training material must be updated with new content periodically and must contain aspects that illustrate senior management's involvement and commitment.

9. DISCLOSURES AND AFFIDAVITS

- 9.1. All Covered Persons, regardless of tenure, must provide a signed an annual declaration to the Company disclosing the following:

9.1.1. Whether they have ever engaged in activities that would expose Company to a risk of corruption; and

9.1.2. Whether they have read and understood Company's Anti-Corruption Compliance Manual.

9.2. The format of acknowledgment is provided in Annexure 2.

10. FOLLOW – UP ACTIONS:

10.1. After the investigation, a robust assessment must be conducted on the process that broke down and on any other related processes. An annual audit must be conducted on the processes where issues were found during the year and where no issues are found once every other year.

10.2. The Covered Persons against whom the allegations have been made is to be presumed innocent until proven guilty. To this end, it will be up to the Audit Committee to decide whether to allow the Covered Persons to work while the investigation is conducted or to allow the Covered Persons to be sent on administrative leave.

10.3. All actions taken against any Covered Person must be in compliance with the Disciplinary Actions Policy.

11. RECORD KEEPING

11.1. The Company shall maintain proper books, records, and accounts, which accurately and fairly detail the transactions and payments.

11.2. The Company strictly maintains and follows the internal control and procedures while making payments from the Company.

ANNEXURE I

ACKNOWLEDGMENT FOR ANTI-BRIBERY AND ANTI-CORRUPTION TRAINING

I, *[name, and designation in Madhucon Projects Limited]*, hereby acknowledge that I have attended the training sessions in relation to anti-bribery and anti-corruption risks on *[date(s) of training]*, as provided by Madhucon Projects Limited and its subsidiaries/affiliates (“Company”) pursuant to its ABAC Policy. I have fully understood the contents of the aforesaid training, as elaborated during the training sessions. I have also perused the Company’s ABAC Policy and understood its contents completely. I agree to abide by the contents of Company’s ABAC Policy

Name:

Designation:

Sign:

Date:

ANNEXURE II

ANNUAL DECLARATION

I, *[name, and designation in Madhucon Projects Limited]*, hereby declare that I have not engaged in any activity(ies) that would expose Madhucon Projects Limited and its subsidiaries/affiliates (“Company”) to a risk of bribery or corruption; and have perused the Company’s ABAC Policy and the Code of Conduct and understood its contents completely. I agree to abide by the contents of Company’s ABAC Policy and Code of Conduct.

Name:

Designation:

Sign:

Date: