



MADHUCON PROJECTS LIMITED

CODE OF CONDUCT

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CODE OF CONDUCT

Madhucon Projects Limited and its subsidiaries/affiliates (**Company**) believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Our ethical principles transcend laws and regulations. They affirm who we are, how we envisage carrying out our activities and the ties we forge with our member companies, our business partners and the world around us. This Governance Framework or Code of Conduct (**Code**) and the policies and procedures set out here are the concrete expression of our ethical approach and reflects our values and beliefs.

The purpose of this Code is to define common rules of behaviour for all our Covered Persons and assist them in handling day-to-day situations that arise in their professional lives, in relation to the business of the Company. It is essential that every Covered Persons, regardless of his or her position, reads and shares these ethical principles and puts them into practice.

The policies set out in this Code shall be read in conjunction with all other policies adopted by the Company, from time to time. This Code and all other policies apply to the Company, including all of its subsidiaries and affiliates (collectively called **Company** or **us** or **we**), and their relevant Covered Persons.

The Company is committed to the highest standards of business ethics and behavior in all our dealings and as part of all of our business activities. We are committed to conducting our business in accordance with these values, and in full compliance with all relevant laws, regulations and industry standards.

1. COMPLIANCE WITH THIS CODE

- 1.1. This Code refers to a number of policies and procedures, which contain various legal and ethical obligations. We expect all Covered Persons (*defined below*) working for or on behalf of the Company from time to time, to be aware of these obligations and comply with them in letter and spirit. Compliance with this Code is part of every Covered Persons' obligation under their engagement terms or contract with the Company and the provisions of this Code shall prevail at all times.

For the purpose of this Code, the term **Covered Persons** shall include all full-time, part-time and contractual employees, directors, senior management and all third parties (i.e. vendors, suppliers, distributors or any other business partner) of the Company.

- 1.2. This Code is designed to lay down our values and objectives, and it is merely indicative in nature. We rely on the Covered Persons to use good judgment and to raise any questions or concerns. In case of any doubt or questions on the provisions of this Code, you are encouraged to reach out to the Ethics and Compliance Officer.

2. IMPLEMENTATION

The Company has designated the Ethics and Compliance Officer with the responsibility for oversight and implementation of this Code. Such measures will broadly include periodic risk assessment and review of the Company's compliance with relevant laws, record-keeping and internal reporting in accordance with this Policy and any provision of training and guidance to personnel and agents as necessary to ensure that they have an appropriate understanding and

awareness of anti-corruption sanctions, restrictions and related compliance mandates. Other management officials are required to take actions necessary to distribute this Code and inform the Personnel who report to them regarding their related compliance obligations (including conducting dedicated training sessions for onboarding new staff members at the Company). The Ethics and Compliance Officer shall periodically provide a compliance report to the Audit Committee regarding compliance and oversight of this Code and allied compliance policies. The content of such compliance report shall include details of any violations of this Code and allied compliance policies and suggested improvement/amendment in such policies.

3. GUIDELINES FOR EMPLOYEE CONDUCT

- 3.1. All Covered Persons shall refrain from engaging in unfair trade practices or entering into agreements that unreasonably restrict competition and are in restraint of free trade (such as price fixing, and boycotting suppliers or customers).
- 3.2. Covered Persons are expected to maintain high standards in accounting practices and comply with the accounting principles followed by the Company in accordance with law.
- 3.3. In official as well as personal capacity, Covered Persons at no time should indulge in any action/behaviour that: (i) violates any law; or (ii) is indicative of personal indiscretion; or (iii) is socially unacceptable; or (iv) involves any form of moral turpitude; or (v) violative of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redress) Act, 2013.
- 3.4. Covered Persons should exercise sound judgement and common sense to judge as to whether their actions can be construed as improper conduct. Among other things, Covered Persons shall ensure that they shall not (i) misbehave in office premises or in social functions or in public, (ii) be under the influence of liquor, narcotics or any other form of intoxication while representing the Company or reporting to work at the Company's premises or at a third party's premises, (iii) use abusive or inflict verbal abuse at anyone, (iv) behave in a loud and irresponsible manner in public which causes discomfort, risk or danger to other Persons, (v) assault or harm any Persons or threaten any Persons with assault or harm, or (vi) report to work dressed informally.
- 3.5. The Covered Persons shall abide by all applicable laws, including but not limited to U.S. Foreign Corrupt Practices Act 1977, the U.K. Bribery Act 2010, the (Indian) Prevention of Corruption Act, 1988 and the (Indian) Prevention of Money-Laundering Act, 2002 and other rules and regulations.
- 3.6. The Covered Persons have a duty to comply with the Company's obligations under the Integrity Compliance Program of the World Bank.
- 3.7. The Covered Persons shall take decisions in the best interests of the Company.
- 3.8. The Covered Persons have a duty to ensure fair and accurate representation of information in the documents prepared and signed by them.
- 3.9. The Covered Persons shall not take any ambiguous, arbitrary or illogical decisions in their course of work. Further, all decisions should be justifiable on all counts.
- 3.10. The Covered Persons shall ensure that official expenses and personal claims are factual, correct and submitted within the framework of the Company's policies.

- 3.11. The Covered Persons shall secure the physical, financial and intellectual property/assets, interests of the organisation by observing the discipline of internal controls and checks & balances.
- 3.12. The Covered Persons shall maintain confidentiality with respect to handling sensitive information about the organisation, its business and other Covered Persons working in the Company.
- 3.13. The Covered Persons shall support the Company by sharing knowledge, information and resources available within their area of influence.
- 3.14. The Covered Persons shall adhere to all Company policies, procedure, processes, system and regulation both in letter and in spirit.

4. CONFLICT OF INTEREST

Activities, arrangements, transactions, agreements that create the appearance of a conflict of interest, whether personal (direct or indirect, by themselves or through any relative) interest, whether pecuniary or otherwise, which interferes or conflicts with such Employee's performance of the Company's duties, functions and responsibilities are not allowed. We encourage you to refer to our Conflict-of-Interest Policy in this regard for guidance.

5. DELEGATION OF AUTHORITY

The Company is committed to follow a well-defined procedure for various functions and activities undertaken by its Covered Persons. To ensure this, we have implemented a delegation matrix based on best corporate practices for various functions and responsibilities to be discharged by the Covered Persons, which includes relevant procedures for allocation of duties and powers amongst the Covered Persons.

6. TRAVEL

Our Covered Persons are required to adhere to prescribed guidelines for any travel within India and abroad for business of the Company, in a way that facilitates travel in a comfortable and economical manner ensuring effectiveness of purpose of travel. We encourage you to refer to our Employee Travel Policy and Local Conveyance Policy in this regard for guidance.

7. CASH MANAGEMENT

We commit to implement proper procedures in place for timely, accurate and complete accounting of cash assets and their usage, that ensures utilization of cash assets is reported accurately on a periodic basis and ensures that cash is not being utilized in an unauthorized manner. The Covered Person are encouraged to rely on banking channels for all Company related transactions.

8. COMPLIANCE WITH LAWS

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Any actual or potential violation of applicable laws and to maintain ethical and professional standards would be a matter of serious concern for the Company and may result in disciplinary measures against the Persons violating such laws.

9. ANTI-BRIBERY ANTI-CORRUPTION AND ANTI-MONEY LAUNDERING

The Company has a zero-tolerance approach towards any acts of bribery, money laundering or corruption. We take any such instance very seriously and are committed to remain in full compliance with all applicable laws in this regard at all times. We encourage you to refer to our Anti-Bribery and Anti-corruption Policy in this regard for guidance.

10. WHISTLEBLOWER MECHANISM

In line with the commitment to conduct business of the Company in a fair and transparent manner and commitment to open communication, the Company has formulated a formal whistleblowing mechanism to allow protected disclosures about the unethical behaviour, actual or suspected fraud or violations of any applicable laws. We encourage you to refer to our Whistle-blower Policy in this regard for guidance.

11. GUIDELINES FOR INTERACTION WITH THIRD PARTIES AND PUBLIC OFFICIALS

When interacting with any third-parties or public authorities on behalf of the Company, 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. The Company intends to follow a well-defined procedure to ensure that all such interactions take place as per applicable laws and ethical principles as outlined in this Code. We encourage you to refer to our policy on Interaction with Public Officials and the Anti-Bribery and Anti-Corruption Policy in this regard for guidance.

12. PROCEDURES FOR DUE DILIGENCE, PROCUREMENT AND BACKGROUND VERIFICATION

The Company has prescribed detailed guidelines and standards for the due diligence procedures for vendors and Covered Persons; to ensure that the Company's business is conducted in compliance with applicable laws and regulations. We encourage you to refer to our Employee Due Diligence and Background Verification Policy in this regard for guidance.

13. GIFTS, ENTERTAINMENT AND HOSPITALITY

As a general matter, the Company prohibits the offering of any Gifts, Entertainment and Hospitality. However, Gifts, Hospitality and Entertainment may be appropriate under certain circumstances such as on occasion of Diwali festival.

The Company's policies do not prohibit the provision of small promotional gifts or non-extravagant entertainment or meals to individuals (whether in the public or private sector) if these items are offered without improper intent in a reasonable way and are properly documented in accordance with the Company's Gifts and Entertainment Policy. We encourage you to refer to our Gifts and Entertainment Policy in this regard for guidance.

14. DONATIONS AND CONTRIBUTIONS

Political donations made on behalf of the Company are strictly prohibited. The Covered Persons are prohibited to make any donations on behalf of the Company and claim

subsequent reimbursements for the same. We encourage you to refer to our Political Contributions and Donations Policy in this regard for guidance.

15. CONDUCT RELATED TO FRAUD, FALSIFICATION OF BOOKS AND ACCOUNTS

The Company and the Covered Persons shall maintain accurate books and accounts and shall not indulge in any misconduct involving falsification or forgery of the accounting records. The Covered Persons shall be liable to disciplinary actions for any frauds instituted against the Company, including but not limited to accepting kickbacks, conflict of interest, siphoning or misuse of funds etc.

16. RETENTION OF DOCUMENTS

The Company follows a mechanism for systematic identification, categorization, maintenance, review, retention and destruction of documents received or created in the course of our business operations, including guidelines on which documents need to be retained, for what period and how and when these documents need to be disposed of in line with the statutory requirements under applicable laws.

17. ASKING QUESTIONS

You are encouraged to ask any question you may have about the policies and procedures set out in this Code and can direct such questions to Mr. K. Venkateshwarelu – Ethics and Compliance Officer (email: cco@madhucon.com). In the event the Ethics and Compliance Officer has any questions, such questions may be directed to the Audit Committee of the Company.

18. TRAINING

The Ethics and Compliance Officer shall ensure that all Covered Persons are in compliance with the Company's Code of Conduct and allied policies. Further, the Ethics and Compliance Officer shall ensure that annual training is conducted for all Covered Persons in relation to the Code of Conduct and allied policies (Annexure 1). Further, the Ethics and Compliance Officer shall take an annual undertaking from all Covered Persons that they are in compliance with all laws, rules and regulations as well as the Company's Code of Conduct and allied policies. (Annexure 2)

19. AUDIT COMMITTEE

The Audit Committee is a sub-committee of the board of directors of the Company. The Audit Committee is responsible for monitoring the compliance with this Code and allied policies.

The Audit Committee shall meet at relevant intervals, or intermittently as and when the need arises.

Key functions of the Audit Committee include *inter alia*:

- (a) Review of the progress of implementation of the Code and allied policies;
- (b) Ensure investigation and closure of any complaints received under this Code by supervising the responsibilities of the Ethics and Compliance Officer; and

- (c) Pro-active reviews of compliance of business operations with the Code and allied policies; and
- (d) Advising/taking necessary disciplinary actions against the person(s) violating the Code, allied policies or any other laws.

20. REVIEW AND AMENDMENT

The Board and the Audit Committee will monitor the effectiveness and review the implementation of all the policies and procedures set out in this Code, considering its suitability, adequacy and effectiveness. The Board reserves its right to amend or modify the policies and procedures set out in this Code in whole or in part, at any time without assigning any reason whatsoever and as per any other law in force.

ANNEXURE I ACKNOWLEDGMENT FOR CODE OF CONDUCT TRAINING

I, ***[name, and designation in Madhucon Projects Limited]***, hereby acknowledge that I have attended the training sessions in relation to the Company's Code of Conduct on ***[date(s) of training]***, as provided by Madhucon Projects Limited ("Company") pursuant to its Code of Conduct policy. I have fully understood the contents of the aforesaid training, as elaborated during the training sessions. I have also perused the Company's Code of Conduct and understood its contents completely. I agree to abide by the contents of Company's Code of Conduct.

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 ("Company") to any compliance related including the risk of bribery or corruption under provisions of any applicable laws and Company's internal policies; and have perused the Company's Code of Conduct and understood its contents completely. I agree to abide by the contents of Company's Code of Conduct.

Name:

Designation:

Sign:

Date:

Note: The Board of Directors of Madhucon Projects Limited ("The Company") has Approved the "Code of Conduct" at their Board Meeting held on 13th February, 2023.