



MADHUCON PROJECTS LIMITED

DONATIONS & CONTRIBUTIONS POLICY

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DONATIONS & CONTRIBUTIONS POLICY

1. PURPOSE

The purpose of this document is to establish and describe Madhucon Projects Limited and its subsidiaries/affiliate's (**Company**) expectations and requirements for the effective management and execution of political contributions, charitable donations, contributions or sponsorships (**Donations**) and other related acts (hereinafter referred to as the **Donations Policy**).

2. SCOPE

All contributions and donations (including contributions towards CSR initiatives set out under the Companies Act, 2013, if any) made on behalf of the Company shall be made in accordance with the objectives and internal policies of the Company, with the prior approval of the Ethics and Compliance Officer.

All recipient organizations shall be vetted by the Company to determine such recipient's appropriateness to receive a contribution from the Company in accordance with the requirements of this Donations Policy.

The Donations Policy should be read in conjunction with the Anti-Bribery and Anti-Corruption Policy, Whistle-blower Policy and all relevant internal policies of the Company.

3. POLICY STATEMENT

Donations proposed to be made by the Company shall be reviewed and approved by the Ethics and Compliance Officer.

4. DEFINITIONS

4.1 **Political donation** means any item of value, whether in cash or in kind, which is given to any political party (registered with the Election Commission of India), organization, or campaign; party official or a political candidate (including sponsorship or subscription made in relation to any political party or political organization) and contributions made to affiliates of political parties and groups/ movements endorsing political parties or any other campaign/movement intended to directly or indirectly influence the outcome of election results.

4.2 **Charitable donation** means any item of value, whether in cash or in kind, given to a cause and/or for charitable purposes to a recognized, reputable and registered charity or public international organization.

4.3 **Covered Persons** means to all employees working at all levels and grades, including directors and senior management, other senior executives, trainees, interns, seconded staff of the Company.

5. FOCUS AREA

Donations by the Company will focus on various initiatives, *inter alia*, the following:

- Education;

- Hunger, poverty, malnutrition and health;
- Environmental sustainability;
- Initiatives to reduce alcohol harm, promote responsible drinking etc.; or,
- such other social cause(s) as may be identified from time to time.

6. RESTRICTIONS

- 6.1 Covered Persons shall not make any political or charitable donation using the funds of the Company, under or with reference to the Company's name without first obtaining approval in accordance with this Policy.
- 6.2 The donations to any political party or any associations associated with any political party, whether in cash or in kind, are strictly prohibited.
- 6.3 There can be no expectation of repayment for any contribution made in accordance with this Donations Policy.
- 6.4 Contributions shall not be made to individuals, political institutions or organizations with a political agenda, or programs involved in the promotion of religion.
- 6.5 All contributions must be made in accordance with all applicable laws.
- 6.6 No contribution or donation shall be allowed to be made to any organisation in which prominent political figures, relatives of senior management and employees, friends and business partners are involved.
- 6.7 The amount of contribution or donation should be limited to **INR 10,000**. Any donation in excess of the specified amount shall be pre-approved by the Compliance and Ethics Officer.
- 6.8 The Company shall strictly prohibit all charitable contributions which can be misused or used as a subterfuge for misconduct such as for bribery and corruption, improper influence, money laundering or terrorist financing or used for any violations of applicable laws, including but not limited to Foreign Contributions (Regulation) Act, 2010, Prevention of Corruption Act, 1988 and Prevention of Money Laundering Act, 2002 and the relevant rules and regulations thereunder and the Company's policies.

7. BACKGROUND CHECK ON DONEE COMPANY

- 7.1 All contributions or grants must be fully vetted by the Ethics and Compliance Officer and comply with all applicable laws, including the Foreign Contributions (Regulation) Act, 2010, Prevention of Corruption Act, 1988 and Prevention of Money Laundering Act, 2002 and the relevant rules and regulations thereunder and the Company's policies.
- 7.2 Set out below is a non-exhaustive list of factors the Ethics and Compliance Officer and (where applicable) may take into consideration when deciding whether or not to approve a donation:
- 7.2.1 Is the recipient of donation registered under the relevant law?

- 7.2.2 Is there a legitimate reason for the donation?
- 7.2.3 Is the donation reasonable and proportionate?
- 7.2.4 Is the donation being made in an open and transparent manner (and not through an intermediary)
- 7.2.5 Has an intermediary or official (in particular any official with decision making authority over the Company's business) requested that the donation be made?
- 7.2.6 Is the recipient closely connected with an intermediary or official (in particular any Official with the authority to make decisions which directly affect the business of the Company)?
- 7.2.7 Does the recipient have the legal recognition/registration/license required
- 7.2.8 Are there any factors which indicate a link between the donation and the obtaining or retaining of business or a business advantage by the Company and its employees, or which appears to have been given for or in connection with the improper performance of a function or activity?
- 7.2.9 Is there a risk that the donation is being used as subterfuge for bribery and corruption, money laundering or terrorist financing?
- 7.2.10 Is there a risk to the reputation of the Company?
- 7.2.11 Is the Recipient entity or any of its officers or directors related to directors or executive officers of Company or in violation of the Conflict-of-Interest Policy?
- 7.2.12 Are there any legal proceedings pending against the entity or any of its officers or directors in any court in India or outside India?
- 7.2.13 Are the programs and services of the recipient entity in line with the Company's objective of making the Charitable Donations?
- 7.2.14 Are the donations compatible with the Company's Code of Conduct and other internal policies?

8. RECORDKEEPING AND REVIEW

- 8.1 The Ethics and Compliance officer must document in writing their reasons for approving the donation.
- 8.2 The Ethics and Compliance officer shall maintain an Annual Political and Charitable Donations Central Register (Annexure I) which must be submitted to the Audit Committee for its review on an annual basis.
- 8.3 Proper donation acknowledgement receipts should be obtained and submitted to the Accounts department for its records.

9. DISCIPLINE & OTHER CONSEQUENCES

- 9.1 Anyone who violates this Donations Policy will be subject to appropriate disciplinary action or other remedial measures up to and including termination of employment or equivalent measures if warranted under the circumstances and permissible under applicable law.
- 9.2 Further, in case a Covered Persons suspects a violation of this Donations Policy, they shall promptly report the same as per the Whistle-blower Policy.

ANNEXURE I

[Political & Charitable Donations Central Register] (An illustrative format)

Sl No.	Date	Organisation name	Reason for donation	Amount (in INR)	Approver
1.					
2.					
3.					

Note: The Board of Directors of Madhucon Projects Limited (“The Company”) has Approved the “Donations & Contributions policy” at their Board Meeting held on 13th February, 2023.