

SECTION 181 – COMPANY TO CONTRIBUTE TO BONA FIDE AND CHARITABLE FUNDS

1. BOD may contribute to bona fide charitable and other funds in the following manner:-

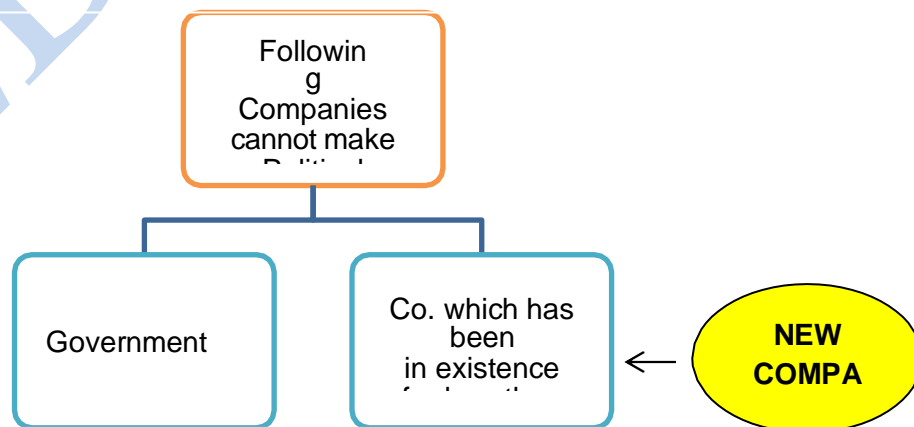
| Aggregate amount of Contribution in a FY | Resolution Required |
|--|---------------------------|
| Exceeds the Limit* | Ordinary Resolution in GM |
| Does not exceeds the Limit* | Board Resolution in BM |
| *Limit = 5% of Average Net Profit for three Immediately preceding FY | |

SECTION 182 – PROHIBITION AND RESTRICTION REGARDING POLITICAL CONTRIBUTION

2. BOD may make Political Contribution subject to :

| Particulars | Provisions |
|--------------------------|------------------------|
| Max Contribution in a FY | No limit |
| Resolution required | Board Resolution in BM |
| | |

3. Political Contribution is Prohibited:-



4. The following shall also be considered as Political Contribution:-

- a) Contribution to a person carrying on an activity which likely to affect public support for a political party.
- b) Advertisement Expenditure in a publication shall be considered as Political Contribution where such Publication:
 - i) is by or on behalf of Political Party
 - ii) For the advantage of Political Party

5. Disclosure in Profit and Loss Account the following:-

- a) Total Amount of Contribution

6. Cash contribution not allowed: The contribution shall not be made except by an account payee cheque drawn on a bank or an account payee bank draft or use of electronic clearing system through a bank account

7. Penalty

| On whom | Fine | Imprisonment |
|--------------------|------------------------------------|--------------|
| Company | 5 times the amount contributed | - |
| Officer in Default | 5 times the amount contributed AND | 6 months |

SECTION 183 – CONTRIBUTION TO NATIONAL DEFENSE FUND

- A) The BOD, or any person or authority exercising the powers of the BOD, or
- B) Company in general meeting

May, contribute such amount as it thinks fit to the:-

- a) National Defence Fund or
- b) any other Fund approved by the Central Government

for the purpose of National Defence.

Every company shall disclose in its profits and loss account the total amount or amounts contributed by it to the Fund during the financial year to which the amount relates