

**WHISTLE BLOWER POLICY
MEFCOM CAPITAL MARKETS LIMITED.**



Effective from 1st April 2014

1. Preface:

- a. Mefcom Capital Markets Limited (The "Company") believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted the Mefcom Capital Markets Limited Code of Business Conduct („the Ethics"), which lays down the principles, standards and behavior that should govern the actions of Mefcom Capital Markets Limited and their employees. Any actual or potential violation of the Ethics, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of employees in pointing out such violations of the Ethics cannot be undermined. There is a provision under the Ethics policy requiring employees to report violations, which states:

"Every employee of Mefcom Capital Markets Limited shall promptly report to the management any actual or possible violation of the Ethics or an event he or she becomes aware of that could affect the business or reputation of Mefcom Capital Markets Limited"

- b. Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement requires every Listed company (and such class of companies as may be prescribed) to establish vigil mechanism ("Whistle Blower Policy") for Directors and employees to report to the Management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. The vigil mechanism is required to provide adequate safeguards



against victimisation of persons who use such mechanisms and also to provide direct access to the Ethics Committee or Chairman of the Audit Committee in appropriate or exceptional cases.



- c. The Whistle Blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for employees and Directors of the Company to approach the Ethics Committee or Chairman of the Audit Committee of the Company.
- d. The Management may appoint an Ethics Counselor to assist in the administration of the Whistle Blower Policy.

2. Definitions:

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Mefcom Capital Markets Limited Code of Business Conduct..

- a. “**Audit Committee**” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement.
- b. “**Employee**” means every permanent employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- c. “**Ethics Code**” means the Mefcom Capital Markets Limited Code of Business Conduct.
- d. “**Ethics Committee**” means a committee comprising of Chief Financial Officer(CFO), Managing Director, Head- HR and Company Secretary of the Company set up for the implementation of, and compliance with, -the Policy.





- e. **“Investigators”** means those persons authorised, appointed, consulted or approached by the Ethics Committee / Chairman of the Audit Committee and include the auditors of the Company.
- f. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- g. **“Respective Committees”** means either the Ethics Committee or the Audit Committee of the Company.
- h. **“Subject”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- i. **“Whistle Blower”** means an Employee making a Protected Disclosure under this Policy.

3. Scope:

- a. This Policy is an extension Mefcom Capital Markets Limited Code of Business Conduct. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they recommend the appropriate corrective or remedial action that may be warranted in a given case.
- b. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Ethics Committee or the Chairman of the Audit Committee or the Investigators.



- c. Protected Disclosure will be appropriately dealt with by the Respective Committees, as the case may be. The Respective Committee may undertake the investigation itself or may, at its sole discretion, forward it to the Investigators for investigation.



4. Eligibility:

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

5. Disqualifications:

- a. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment including any harassment, retaliation or victimization, as herein set out. Any abuse of this protection will warrant disciplinary action.
- b. Protection under this Policy shall not mean protection from disciplinary action arising out of false, reckless, malicious or unfounded or frivolous allegations made by a Whistle Blower with a *mala fide* or ulterior intent or purpose.
- c. Whistle Blowers, who make three or more Protected Disclosures, which are subsequently found by the Ethics Committee or Audit Committee to be *malafide*, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified for a period of six months from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Audit Committee may recommend to the Company appropriate disciplinary action.

6. Procedure:

- a. All Protected Disclosures concerning financial/accounting matters shall be addressed to the Chairman of the Audit Committee of the Company for investigation.





- b. All Protected Disclosures concerning unethical or improper activities shall be addressed to the Ethics Committee for investigation.
- c. Protected Disclosures in respect of employees at the levels of Vice Presidents and above shall be addressed to Chairman of the Audit Committee.
- d. The contact details of the Ethics Committee and Chairman of the Audit Committee of the Company areas under:

Ethics Committee:

Name	Designation	Email Id
	CFO	investors@mefcom.in
Ms.	Company Secretary & Head HR	
Mr. Vijay Mehta	Managing Director	

Chairman of the Audit Committee

Email Id : a- investors@mefcom.in

Mr, Tarsem Garg

- d. If a Protected Disclosure is received by any employee of the Company other than the Respective Committee, the same shall be forwarded to the Respective Committee as the case may be for further appropriate action.
- e. Protected Disclosures shall be reported in writing as soon as possible but no later than 30 days after he becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.
- f. The Protected Disclosure shall be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Respective Committee, as the case may be, shall detach the covering letter and forward only the Protected



Disclosure to the Investigators for investigation, where the investigation is entrusted by the Respective Committee to the Investigator.



- g. Protected Disclosures shall be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
 - h. The Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures, as a rule, will not be entertained.
 - i. If any of the member of the Respective Committee has a conflict of interest in a Protected Disclosures, he shall recuse himself and the other members of the Respective Committees shall deal with the same.
- 7. Investigation:**
- a. The decision to conduct an investigation taken by the Respective Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not support the conclusion of the Whistle Blower that an improper or unethical activity was committed.
 - b. The identity of the Subject shall be kept confidential to the extent possible unless mandatorily required to be disclosed by law or on order of a Court. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Respective Committee (e.g. during investigations carried out by Investigators).
 - c. Subject shall be informed of the allegations at the appropriate stage and will have opportunities for providing his inputs / explanation during the investigation, including an appropriate opportunity of being heard.
 - d. Subject shall have a duty to co-operate with the Respective Committee or any of the Investigators during investigation to the extent that such co-operation will



not compromise self-incrimination protections available under the applicable laws.



- e. Subject has a right to consult with a person or persons of his / her choice, other than the Ethics Committee/ Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- f. Subject shall not interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subject.
- g. Unless there are compelling reasons not to do so, Subject shall be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is evidence in support of the allegation.
- h. Subject shall have the right to be informed of the outcome of the investigation.
- i. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure. Where the investigation is conducted by the Ethics Committee, a report shall be prepared by it upon completion of the investigation and submitted to the Chairman of the Audit Committee who shall consider the same.

8. Protection:

- a. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Subject to clause 5 (c) above, complete protection will therefore be given to Whistle Blowers against any unfair practice like discrimination, harassment, victimization, retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or other unfair employment practices, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The Company



shall take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.



- b. A Whistle Blower may report any violation of the above clause to the **Chairman of the Audit Committee** who will have the same investigated and recommend suitable action to the management.
- c. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower is under Clause 8(a).

9. Investigators:

- a. Investigators shall conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Respective Committees when acting within the course and scope of their investigation.
- b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, ethical behavior, and observance of legal and professional standards.
- c. Investigations will be launched only after a preliminary review which prima facie establishes that:
 - i. the alleged act may constitute an improper or unethical activity or conduct, and
 - ii. either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

10. Decision:

If an investigation leads the Respective Committee to conclude that an improper or unethical activity has been undertaken, the concerned Committee shall recommend to the management of the Company to take such disciplinary or remedial action as the concerned Committee deems fit. It is clarified that any disciplinary or remedial action initiated against the Subject as a result of the 8



findings of an investigation pursuant to this Policy shall adhere to the a personnel or staff conduct and disciplinary procedures.



11. Reporting:

The Chairman of the Audit Committee shall report to the Board periodically about all Protected Disclosures referred to them together with the results of investigations.

12. Retention of documents:

All Protected Disclosures in writing or documented along with the results of investigation relating thereto which have been proved shall be retained by the Company for a minimum period of five years. Other Protected Disclosures may be destroyed at the end of the financial year. .

13. Amendment:

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. The Ethics Committee / Audit Committee shall also review the Policy and suggest amendments to make it responsive and relevant to the changing times.

However, no such amendment or modification will be binding on the Employees unless the same is notified to the Employees in writing.

