

Mercator Limited

Whistle Blower Policy & Vigil Mechanism

1. Introduction and Statutory requirement:

Mercator Limited (ML) strongly believes in ethical way of conducting business in accordance with all applicable laws, rules and regulation and in strict adherence to the Code of Business Conduct and Ethics formed by it (the “Code of Conduct”). In order to assist the company in promoting lawful and ethical behavior, the Directors and Employees of the Company are encouraged to report any unethical behavior; actual or suspected fraud; possible violation of law, rules, regulation or the Code of Conduct to the Compliance Officer.

Section 177 (9) of the Companies Act, 2013 mandates every listed company to establish a Vigil Mechanism for their Directors and Employees to report their genuine concerns or grievances. Further, Clause 49 of the Listing Agreement with the Stock Exchanges too provides for a mandatory requirement to establish a mechanism called the ‘Whistleblower Policy’ for directors and employees to report concerns of unethical behavior, actual or suspected, fraud or violation of the Company’s Code of Conduct or Ethics policy.

ML with this policy establishes a Vigil mechanism to lay down a procedure to report any of the above concerns as also provide adequate safeguards to Directors/ Employees who avail of the mechanism.

2. Scope and applicability:

This Vigil Mechanism and Whistle-blower Policy (the “Policy”) sets out the mechanism to be followed for reporting.

This Policy applies to all Directors and Employees, regardless of their location.

3. Definitions:

- i. “Audit Committee” means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchanges and any amendment thereunder.
- ii. “Employee” means every employee of the Company (working in India or abroad).
- iii. “Code of Conduct” means ML’s Code of Business Conduct and Ethics
- iv. “Compliance Officer” means the Company Secretary or any person nominated by the Company from time to time for the purpose of monitoring compliances as may be required under law;
- v. “Director” means every past or present Director of the Company, whether whole-time or otherwise.
- vi. “Disciplinary Action” means any action that can be taken on the completion of or during the investigation proceedings including but not limited to warning, imposition

of fine, suspension/dismissal from official duties or any such action as it is deemed to be fit considering the gravity of the matter.

- vii. “Investigators” mean any person or Committee of persons authorised, appointed, consulted or approached by the Chairman of the Audit Committee to conduct detailed investigation.
- viii. “Protected Disclosure” means concern raised by written communication made in good faith that the disclosed Reportable Matter in accordance with this Policy.
- ix. “Reportable Matter” means actual or suspected:
 - unethical behavior; or
 - fraud or
 - corruption, including bribery and money laundering; or
 - Breach of the Code of Conduct.
- x. “Whistle-blower” means Employee or Director or any other person who makes a Protected Disclosure under this Policy.

4. Policy

This policy is an extension to the ML’s Code of Conduct.

Disclosure of Reportable matter

Protected Disclosures are to be made promptly whenever the Whistle Blowers are aware of a Reportable Matter. Reportable Matters should be made pursuant to the reporting mechanism as described in following para.

The role of a Whistle-blower is limited to making a Protected Disclosure. A Whistle-blower should not engage in investigations concerning a Reportable Matter that is the subject of a Protected Disclosure. Neither should a Whistle-blower become involved in determining the appropriate corrective action that might follow from the submission of a Protected Disclosure.

Illustrative List of Reportable Matters

Following are some examples of concerns and issues that a Whistle-blower could raise. This is not an exhaustive list so one should feel free to raise any other concern not mentioned below.

- a) Fraudulent conduct
- b) Misappropriation of funds and important / classified documents
- c) Harassment of any kind at the workplace, including sexual harassment of any nature
- d) Misuse of company provided assets
- e) Misuse and misrepresentation of power and authority
- f) Deliberate or planned non-compliance to company’s set processes and procedures
- g) Failure to comply with laws and regulations
- h) Financial and non-financial benefits extended to or obtained from customers or vendors
- i) Violation of Company’s Code of Ethics and Conduct
- j) Any activity that places an employee in a conflict of interest situation between their official interests and other/ personal interests

- k) Failure to rectify or take reasonable steps to report a matter that would likely cause significant and avoidable loss to the company

Reporting Mechanism

The Investigators are authorized to process and appropriately deal with the Protected Disclosures made by a Whistle Blower. The Investigators shall be under the supervision of the Audit Committee. Protected Disclosures are to be made to the Investigators in any one of the following ways:

- by email or fax to Compliance officer on secretarial@mercator.in / + 91 22 40373344;
- by email to Audit Committee Chairman (manmohanagrawal4@gmail.com)
- by letter addressed and marked "Private and Confidential", to any of the above persons at Mercator Limited, 3rd Floor, Mittal Tower, B-Wing, Nariman Point, Mumbai 400021.

Anyone who receives the disclosure is required to promptly report the same to Chairman of the Audit Committee for investigation.

A Protected Disclosure should include as much specific information as possible concerning the Reportable Matter for proper assessment of the nature and extent of concern and the urgency of a preliminary investigative procedure. The information must be factual and not speculative or in the nature of conclusion. Following information should be provided:

- the nature of the Reportable Matter (for example, if the Reportable Matter concerns an alleged violation of the Code);
- the names of the Employees/Directors to which the Reportable Matter relates;
- the relevant factual background concerning the Reportable Matter; and
- the basis for the Protected Disclosure or any supporting documents to prove the Reportable Matter.
- Such other information as may be prescribed/required by the Investigator/Chairman of Audit Committee/the Audit Committee from time to time

Whistle-blowers shall provide their name and contact details whenever they make a Protected Disclosure under this Policy. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistle-blowers.

All Protected Disclosures reported under this Policy will be thoroughly investigated by the Investigators who will oversee/enquire the investigations under the authorization of the Audit Committee. The investigation shall be completed normally within 60 days of the receipt of the protected disclosure.

Protection of Whistle-Blowers

The identity of the Whistle-Blower and the fact that a Protected Disclosure which has been made by the Whistle-Blower will be kept as confidential, except as otherwise required by law and to the extent possible while allowing an investigation to proceed. No personnel who in good faith, makes a disclosure or lodges a complaint in accordance with this Policy shall suffer reprisal, discrimination or adverse employment consequences. An appropriate award would be considered for the Whistle-Blowers.

A Whistle-blower may make a Protected Disclosure without fear of retaliation or intimidation.

Any Company official who engages in retaliation or intimidation in violation of this Policy will be subject to Disciplinary Action.

However, if a Whistle-blower who make any Protected Disclosure which has been subsequently found malafide, frivolous or malicious may be subject to Disciplinary Action.

Role of the Audit Committee

The Audit Committee is responsible for supervising the development and implementation of this Policy, including the work of the Investigators. The Audit Committee shall periodically review the Policy to consider whether amendments are necessary, and, if so, it shall communicate any such amendments to all Employees/Directors as soon as possible.

The Audit Committee shall appoint/nominate Investigator(s). The Audit Committee shall receive reports from the Investigators concerning the investigation and resolution of Protected Disclosures made pursuant to the Policy on a quarterly basis and monitor the status of Reportable matters. In addition, the Audit Committee shall have responsibility for coordinating the investigation of any serious Protected Disclosures concerning the alleged violation of laws or regulations that apply to ML.

Decision

If an investigation leads the Investigator to conclude that an improper or unethical act has been committed, the Investigator shall submit its recommendations to/place before the Chairman of the Audit Committee for its approval which then shall be conveyed to the management of the Company to take such Disciplinary Action or corrective action as the Audit Committee deems fit.

5. Conflicts of Interest

Where a Protected Disclosure concerns any members of the Investigators or the Audit Committee, that member of the Investigators or the Audit Committee shall be prevented from acting in relation to that Protected Disclosure. In case of doubt, it shall be referred to the Chairman of the Audit Committee who shall determine whether such member must recuse himself or herself from acting in relation to a Protected Disclosure.

6. Questions

If you have any questions concerning this Policy or the Code of Conduct, please contact:

The Compliance Officer
Mercator Limited
3rd Floor, Mittal Tower,
B-Wing, Nariman Point,
Mumbai – 400021
Telephone - +91-22-40373333/Ext 366/475
Email – secretarial@mercator.in

7. 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.