

WHISTLE BLOWER POLICY / VIGIL MECHANISM

1. PREFACE

Midas Infra Trade Limited (“Company”) believes in the conduct of the affairs of the Company in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In line with the commitment to conduct business of the Company in a fair and transparent manner, the Company has formulated Whistle Blower Policy (“Policy”), which provides a formal mechanism for all employees and Directors of the Company to make Protected Disclosures about the unethical behaviour, actual or suspected fraud or violation of the Companies Code of Conduct. This Policy requires every employee / Director to promptly report to the management about the unethical behaviour, actual or suspected fraud or violation of the Companies Code of Conduct or an event he becomes aware of that could have a detriment effect on the business or reputation of the Company and provides reassurance that they will be protected from reprisals or victimization for whistle blowing. The Board of Directors of the Company at its meeting held on August 8, 2014, approved this Policy. The Policy shall be effective with immediate effect.

2. DEFINITIONS

- 2.1) “Audit Committee” means a Committee of Board of Directors of the Company, constituted in accordance with provisions of Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement with Stock Exchanges.
- 2.2) “Board” means Board of Directors of the Company.
- 2.3) “Code of Conduct” means Code of Conduct or Service Rules for the employees of the Company.
- 2.4) “Company” means Midas Infra Trade Limited.
- 2.5) “Director” means a Director appointed on the Board of the Company.
- 2.6) “Employee” means every employee of the Company.
- 2.7) “Policy” means the Whistle Blower Policy.
- 2.8) “Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical behavior, actual or suspected fraud or violation of the Companies Code of Conduct.
- 2.9) “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.
- 2.10) “Whistle Blower” means an employee or Director of the Company making a Protected Disclosure under this Policy.

3. GUIDELINES

- 3.1) The Whistle Blower’s Protected Disclosure must be supported by all factual evidences, to the extent available, to substantiate the allegations against the Subject and facilitate carrying out of investigation. The Protected Disclosure should not be based on the hearsay evidence or other form of informal communication.

- 3.2) The Whistle Blower's role is that of a reporting party. They can neither act as investigators or finders of facts nor determine the appropriate corrective or remedial action that may be warranted.
- 3.3) While this Policy is intended to protect genuine Whistle Blowers from any unfair treatment as a result of their disclosures, misuse of this protection by making frivolous and bogus complaints with mala fide intentions is strictly prohibited. A Whistle Blower, who makes complaints with mala fide intentions and which are subsequently found to be false will warrant strict disciplinary action.
- 3.4) Whistle Blowers must put their names on allegations because investigation becomes merely impossible unless the source of the information is identified. Disclosures expressed anonymously will not be covered under this Policy.
- 3.5) This Policy is not, however, intended to question financial or business decisions taken by the Company officials nor should it be used as a means to reconsider any matters which have already been addressed pursuant to disciplinary or other internal procedures of the Company. Further, this Policy is not intended to cover career related or other personal grievances.
- 3.6) To ensure that this Policy is adhered to and to assure that the concern will be acted upon seriously, the Company will:
 - 3.6.1) Ensure complete confidentiality;
 - 3.6.2) Ensure that the Whistle Blower and/or the person making the Protected Disclosure is not victimized for doing so;
 - 3.6.3) Treat victimization as a serious matter including initiating disciplinary action on such person(s);
 - 3.6.4) Not attempt to conceal evidence of the Protected Disclosure;
 - 3.6.5) Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
 - 3.6.6) Provide an opportunity of being heard to the persons involved especially to the Subject.
- 3.7) The Policy covers malpractices and events which have taken place/suspected to take place involving:
 - 3.7.1) Abuse of authority;
 - 3.7.2) Negligence causing substantial and specific danger to public health and safety;
 - 3.7.3) Manipulation of company data/records;
 - 3.7.4) Financial irregularities, including fraud or suspected fraud;
 - 3.7.5) Criminal offence;
 - 3.7.6) Pilferation of confidential/propriety information;
 - 3.7.7) Deliberate violation of law/regulation;
 - 3.7.8) Wastage/misappropriation of company funds/assets;
 - 3.7.9) Breach of employee Code of Conduct or Service Rules; and
 - 3.7.10) Sexual Harassment

4. PROCEDURE

- 4.1) All Protected Disclosures along with the evidences shall be made by the Whistle Blower to the Executive Director & C.O.O. or in case it involves managerial

personnel to the Managing Director and in exceptional cases to the Audit Committee Chairman, as soon as possible after becoming aware of the malpractices and events which have taken place/suspected to take place, as mentioned in Clause 3.7.

The contact details of the aforesaid persons are as under:

Executive Director & C.O.O. / The Managing Director / The Audit Committee Chairman

- 4.2) Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed out or written in a legible handwriting in English, Hindi, regional language of the Whistle Blower's place of employment. Protected Disclosures should be addressed to the above said persons in a sealed envelope marked as "Whistle Blower - Private & Confidential".
- 4.3) Whistle Blower must provide the background, history and reason for the concern, together with the names, dates, places and as much relevant information as possible.
- 4.4) For the purpose of providing protection to the Whistle Blower, the Whistle Blower should disclose his/her identity only in the covering letter accompanying the Protected Disclosure.
- 4.5) The Executive Director & C.O.O. shall immediately forward Protected Disclosure to the Managing Director of the Company. The Managing Director may, if required, order for inquiry in respect of the Protected Disclosure and after preliminary inquiry, if required, shall communicate the findings of inquiry to the Audit Committee Chairman.

5. INVESTIGATION

- 5.1) The Audit Committee Chairman shall under the authorisation of Audit Committee appropriately and expeditiously investigate all Protected Disclosures, which are communicated to him by the Managing Director or directly received by him and require investigation. The Audit Committee Chairman, if the circumstances so suggest, may appoint a senior executive or a committee of managerial personnel to investigate into the matter and prescribe the scope and time limit therefore. The Audit Committee Chairman shall have right to outline detailed procedure for an investigation.
- 5.2) Where the Audit Committee Chairman has designated a senior executive or a committee of managerial personnel for investigation, they shall mandatorily adhere to the scope and procedure outlined by the Audit Committee Chairman for investigation.
- 5.3) The Audit Committee Chairman or officer or committee of managerial personnel, as the case may be, shall have right to call for any information/document and examination of any employee of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this Policy.
- 5.4) Subjects will normally be informed of the allegations at the commencement of a formal investigation and have opportunities for providing their inputs during the investigation. Subjects will be given the opportunity to respond to material findings contained in an investigation report. The Subjects shall not intervene during the

- course of investigation and shall cooperate with the investigating officer to enable the investigator to examine all possible aspects of the reported matter.
- 5.5) The investigation is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed. Only the allegations supported by sufficient evidence would be investigated.
 - 5.6) The investigation shall be completed within 60 days of the receipt of the Protected Disclosure and any delay beyond 60 days shall be justified in the investigation report.
 - 5.7) At the conclusion of its investigation, if the Audit Committee Chairman concludes that a violation has occurred or the allegations are substantiated, the Audit Committee Chairman shall recommend to the management of the Company to take effective remedial measures commensurate with the severity of the offence. This may include disciplinary action against the Subject. The Company may also take reasonable and necessary measures to prevent any further violations which may have resulted in a complaint being made. The Company reserves the right to refer any concerns or complaints regarding reported matter to appropriate external regulatory authorities.

6. PROTECTION TO WHISTLE BLOWER

- 6.1) The Whistle Blower who, in good faith, makes a disclosure in accordance with this Policy shall not suffer unfair treatment such as retaliation, threat, discrimination or adverse employment consequences. The Company strictly prohibits discrimination, retaliation or harassment of any kind against a Whistle Blower and therefore the Company shall ensure that the full protection is granted to the Whistle Blower against such unfair treatment.
However, this Policy does not protect Whistle Blower from an adverse action which occurs independent of his Protected Disclosure, poor job performance or any other disciplinary action etc. unrelated to Protected Disclosure made pursuant to this Policy.
- 6.2) No employee or external agency shall exercise direct or indirect abuse of its authority to obstruct the Whistle Blower's right to perform his/her duties/functions during daily routine operations.
- 6.3) Any personnel who retaliate against a Whistle Blower, who has raised a concern in good faith, will be subject to strict disciplinary action up to and including immediate termination of employment or termination of his/her relationship with the Company and other actions as the Company may deem fit.
- 6.4) If any Whistle Blower, who makes a disclosure in good faith, believes that he/she is being subjected to discrimination, retaliation or harassment for having made a report under this Policy, he/she must immediately report those facts to the Managing Director or the Audit Committee Chairman.
- 6.5) Any other employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

7. CONFIDENTIALITY

- 7.1) The Whistle Blower, the Subject, the Executive Director & C.O.O., the Managing Director, the Audit Committee Chairman and everyone involved in the process of investigation shall:
 - 7.1.1) maintain complete confidentiality/secretcy of the matter.
 - 7.1.2) not discuss the matter in any informal/social gatherings/meetings.
 - 7.1.3) discuss only to the extent or with the persons required for the purpose of completing the process and investigations.
 - 7.1.4) Not to keep the relevant papers unattended anywhere at any time.
- 7.2) If anyone is found not complying with the above, he/she shall be held liable for such disciplinary action, as may be considered fit.

8. RETENTION OF DOCUMENTS

All Protected Disclosures in writing along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 2 years.

9. REPORTING

The first report on number of complaints received under the Policy and their outcome will be placed before the first Audit Committee meeting that will be held after December 31, 2014. Thereafter, quarterly report shall be placed before the Audit Committee.

10.AMENDMENT

The Board may amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the employees unless the same is notified to them.