MMTC LIMITED - WHISTLE BLOWER POLICY
(PIDPI – Provisions adopted by MMTC)

1. Preface

1.1 MMTC Limited believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

1.2 The Company is committed to develop a culture in which every employee feels free to raise concerns about any poor or unacceptable practice and misconduct.

1.3 Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter-alia provides, as a non-mandatory requirement, for all listed companies to establish a mechanism called „Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected fraud/corruption or violation of the Company "s code of conduct or ethics policy.

1.4 This Whistle Blower Policy provides a framework to promote responsible and secure whistle blowing. It aims to protect employees wishing to raise a concern about any irregularities within the Company and provide a mechanism for employees of the Company to approach the Chairman and Managing Director of the Company or in exceptional cases the Audit Committee of the Company.

1.5 However, the Policy does not relieve employees of the Company from their duty of maintaining confidentiality in the course of their work.

2. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Employees" (Conduct, Discipline and Appeal) Rules, 1975.

2.1"Audit Committee" means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Guidelines on Corporate Governance for CPSEs issued by Department of Public Enterprises and Clause 49 of the Listing Agreement.

2.2 "Company" means MMTC Limited

2.3"Corruption" includes -

(i) any conduct whereby, in return for a gratification, a person does or neglects from doing an act in contravention of his public duties;

(ii) the offer, promise, soliciting or receipt of a gratification as an inducement or reward to a person to do or not to do any act, with a corrupt intention;

(iii)the abuse of public office for private gain;

(iv) an agreement between two or more persons to act or refrain from acting in violation of a person's duties for profit or gain.

(v) any conduct whereby a person accepts or obtains, or agrees to accept or attempts to obtain, from any person, for himself or for any other person, any gratification for inducing a public official, by corrupt or illegal means, or by the exercise of personal influence, to do or abstain from doing an act in the exercise of his duties to show favour or disfavour to any person;

2.4 "Disciplinary Action" means any action that can be taken as per the provisions of MMTC Employees" (Conduct, Discipline and Appeal) Rules, 1975 and procedures.

2.5 "Employee" means a person in the employment of the Company other than the casual, work-charged or contingent staff including any employee whose services are placed at the disposal of a Government owned Company, Corporation, Organization or a local authority, Central or State Govt. or the Railway Department by the Company not-withstanding that his salary is drawn from sources other than from the Funds of the Company and also including a person on deputation to the company.

2.6 "Exceptional cases" include the cases where the Whistle Blower does not agree with the findings of the Whistle Officer or the cases where the protected disclosure under the policy is made against the Board level executives.

2.7 "Fraud" means wilful act intentionally committed by an individual(s) – by deception, suppression, cheating or any other fraudulent or any other illegal means thereby causing wrongful gain(s) to self or any other individual(s) and wrongful loss to other(s). Many a times such acts are undertaken with a view to deceive/ mislead others leading them to do or prohibiting from doing a bonafide act or take bonafidedecision which is not based on material fact.

2.8 "Protected Disclosure" means any communication made in good faith that discloses or demonstrates any unethical, illegal or improper activity or behaviour.

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 making a Protected Disclosure under this Policy.

2.11 "Whistle Officer" means an officer nominated by Competent Authority to conduct detailed investigation under this policy.

3. Scope

3.1 This Policy applies to disclosure of any unethical, illegal activities or behavior, fraud, corruption, violation of the MMTC Employees" (Conduct, Discipline and Appeal) Rules, 1975, Code of Business Conduct and Ethics for Board Members and Senior Management of MMTC by employees of MMTC and any other policy or the rule for behavior or conduct implemented by the Company.

3.2 The Whistle Blower's role is that of a reporting person with reliable information. He/ she is not required or expected to act as investigator or finder of facts, nor would he/she determine the appropriate corrective or remedial action that may be warranted in a given case.

3.3 The Whistle Blower will not conduct any investigation on his own, nor will he have a right to participate in any investigative activities other than as requestedby the Whistle Officer.

3.4 Protected Disclosure will be appropriately dealt with by the Chairman and Managing Director or the Audit Committee of Directors as the case may be.

4. Act(s) covered

The following are some of the acts which constitute unethical/illegal behavior/activities, fraud/ corruption, violation of the MMTC Employees" (Conduct, Discipline andAppeal) Rules, 1975, Code of Business Conduct and Ethics for Board Members and Senior Management of MMTC etc.:

(a) Where Subject demands and/ or accepts gratification other than legal remuneration in respect of an official act or for using his/her influence with any otherofficial.

(b) Where Subject obtains valuable thing, without consideration or with inadequate onsideration from a person with whom he has or likely to have officialdealings or his/her subordinates have official dealings or where he can exert influence.

(c) Where Subject obtains for himself or for any other person any valuable thing or pecuniary advantage by corrupt or illegal means or by abusing his position asa public servant.

(d) Where Subject possesses assets disproportionate to his known sources of Income.

(e) Cases of misappropriation, forgery or cheating or other similar criminal offences by Subject.

(f) Gross or willful negligence by Subject.

(g) Blatant violations of systems and procedures by Subject.

(h) Where Subject exercises discretion in excess, where no ostensible/ public interest is evident.

(i) Any undue/ unjustified delay in disposal of a case by Subject, etc.

(j) Any matter arising out of implementation of Personnel policies, Rules, Regulations, Decisions and those relating to employees" work place, excepting matterscoming under MMTC (Conduct, Discipline and Appeal) Rules, 1975.

5. Eligibility

All Employees of the Company are eligible to make Protected Disclosures under the Policy.

6.Disqualifications

6.1 While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of thisprotection will warrant disciplinary action.

6.2 Protection under this Policy would not mean protection from disciplinary action arising out of allegations made by a Whistle Blower which are found to befalse or bogus or with a mala-fide intention.

6.3 Whistle Blowers, who make Protected Disclosures, which are subsequently found to be mala-fide, frivolous, baseless, malicious, or reported otherwise than ingood faith, may be disqualified from reporting further Protected Disclosures under this Policy. Further, the Company/Audit Committee would reserve its right totake/recommend appropriate disciplinary action against such Whistle Blowers.

7.Procedure

7.1 Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legiblehandwriting in English or Hindi.

7.2 All Protected Disclosures should be addressed to the Chairman and Managing Director of the Company by the Whistle Blowers in a closed/ secured envelopeand should be superscribed" rotected Disclosure under the Whistle Blower Policy", as soon as possible, at the following address:
Chairman and Managing Director MMTC Limited; Core-1 „SCOPE Complex"; 7- Institutional Area; Lodhi Road New Delhi-110003

7.3 The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower such as his/ her name and address.The Chairman and Managing Director shall detach the covering letter which would be kept under safe custody and forward the Protected Disclosure falling undersr. no. 4(a) to 4 (i) etc. to Chief Vigilance Officer (CVO) and those falling under sr. no. 4(j) to Director (Personnel) for investigation on case to case basis. CVO and Director (Personnel) will be the Competent Authority to nominate suitable Whistle Officer.

7.4 Protected Disclosures involving or relating to Board level executives will be addressed to the Addl. /Special Secretary, Deptt. of Commerce, MOC&I (Govt.Nominee Director on the Board of MMTC) who will appoint a Whistle Officer and forward the protected disclosure to such „Whistle Officer" for investigation oncase to case basis. Addl./Special Secretary, Deptt. of Commerce, MOC&I (Govt. Nominee Director on the Board of MMTC) shall be the Competent Authority in suchcases.

7.5 Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible toallow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

7.6 The Company shall not entertain anonymous/ pseudonymous disclosures.

7.7 In order to protect identity of the Whistle Blower(s), the Company will not issue any acknowledgement and Whistle Blower(s) are advised not to enter into anyfurther correspondence with the Company in their own interest.

7.8 In case the Company finds the complaint to be motivated or vexatious, it shall be at liberty to take appropriate steps.

8. Investigation

8.1 All Protected Disclosures reported under this Policy will be thoroughly investigated by the Whistle Officers of the Company who will investigate / oversee theinvestigations under the authorization of the Competent Authority.

8.2 The decision to conduct an investigation into a Protected Disclosure by itself is not an acceptance of the accusation by the Authority and is to be treated as aneutral fact-finding process because the outcome of the investigation may or may not support accusation.

8.3 The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of the investigation.

8.4 Unless there are compelling reasons not to do so, Subjects will be given reasonable opportunity for hearing their side during the investigation. No allegationof wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

8.5 Subjects shall have a duty to co-operate with the Whistle Officer(s) / Audit Committee during investigation to the extent that such co-operation sought doesnot merely require them to admit guilt.

8.6 Subjects shall have right to access any document/ information for their legitimate need to clarify/ defend themselves in the investigation proceedings.

8.7 Subjects shall have a responsibility not to interfere with the investigation.Evidence shall not be withheld, destroyed or tampered with, and witnesses shall notbe influenced, coached, threatened or intimidated by the Subjects.

8.8 Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subjects shall be consulted as to whether publicdisclosure of the investigation results would be in the best interest of the Subject and the Company.

8.9 Whistle Officer shall normally complete the investigation within 90 days and submit his report to Competent Authority.

8.10 In case of allegations against subject are substantiated by the Whistle Officer in his report, the Competent Authority shall give an opportunity to Subject toexplain his side.

9. Protection

9.1 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 apolicy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers.Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension ofservice, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower'sright to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which theWhistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinaryproceedings, the Company will arrange for the Whistle Blower to receive advice about the Procedure, etc.

9.2 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identitymay become known for reasons outside the control of the Whistle Officer(s) /Audit Committee.

9.3 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9.4 If any person is aggrieved by any action on the ground that he/ she is being victimized due to the fact that he/ she had filed a complaint or disclosure, he/ shemay file an application before the Chairman Audit Committee seeking redress in the matter, wherein the Chairman Audit Committee may give suitable directionsto the concerned person or authority.

10. Decision

If an investigation leads the Competent Authority or the Audit Committee as the case may be to conclude that an improper or unethical act has been committed, theCompetent Authority or the Audit Committee shall recommend to the appropriate disciplinary authority to take appropriate disciplinary or corrective action.

11. Reporting of the outcome of the Investigation to Whistle BlowerOutcome of the investigation by the Whistle Officer and any disciplinary or corrective action initiated against the subject would be informed to the Whistle Blower. Ifthe Whistle Blower does not agree to the findings of the Whistle Officer, he/ she is permitted to approach the Audit Committee of the Company for inviting its attentionon the concern raised by him/her.

12.Review of functioning of the Mechanism by Audit CommitteeA quarterly report about the functioning of the Whistle Blower Mechanism shall be placed before the Audit Committee.

13. Retention of documents

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

14. 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.