BLUE STAR LIMITED **HR POLICY MANUAL**

Section 5	ESTABLISHMENT RULES
Policy No.PP5-1.20	Whistle Blower Policy
Release Date	3rd August, 2015
Supersedes	31st July, 2014
Valid Up to	June 30, 2017
Pages	6

1. Preamble

- Blue Star Limited ("Blue Star" or "Company") believes in the conduct of its business affairs in a fair and transparent manner.

- Any actual or potential violation of any laws/regulations governing the Company is a matter of concern for the Company.

- In order to enhance its governance standards, the Company has set up a whistle blowing mechanism as laid down in this policy by which Directors and employees can report any violation of laws or unethical conduct of business practices.

- Under this policy, an employee would help the organisation in avoiding potential financial loss.

2. Policy

The Directors or employees may use the procedure set out in this policy to report concerns of unethical behavior, violation of law or regulations, or suspected fraud.

3. Objective

The objective of this policy is to:

i. Provide a framework to promote a secure and result-oriented whistle blowing environment whereby instances of wrong doings can be reported and investigated objectively.
ii. Provide guidance on how to report a complaint.
iii. Provide information on how the informant will be protected.
iv. Promote fair, transparent and ethical culture within the Company.

4. Applicability

This policy will apply to all Directors and employees of the Company and its subsidiaries.

5. Scope

The policy covers reporting of events which have, or are suspected to have taken place involving:

i. Fraud, suspected fraud or unethical conduct of business practices, including financial irregularities.
ii. Leakage of confidential / propriety information.
iii. Manipulation of documents.
iv. Conflict of interests.
v. Misappropriation or misuse of Company assets.
vi. Bribery & corruption.
vii. Violation of Company's policies.

6. Reporting mechanism under the Policy

The procedure governing the reporting mechanism and administration of this policy would be as under :

- The Company Secretary would additionally perform the role of an “Ethics Officer” under this policy. All complaints/communication under this policy should be addressed to the Ethics Officer.

- The contact details of the Ethics Officer is as under:

Mr. Vijay Devadiga
Company Secretary and Ethics Officer
Blue Star Limited, Kasturi Buildings, 4th Floor, Mohan T Advani Chowk,
Jamshedji Tata Road,
Mumbai – 400020.
Email – ethicsofficer@bluestarindia.com
Phone – 022-66654040

- This policy also provides for direct access to the Chairman of the Audit Committee at the option of the complainant. The contact details of the Chairman of the Audit Committee are as follows :

  Mr. Shailesh Haribhakti
  Chairman of the Audit Committee, Blue Star Limited
  C/o DH Consultants Pvt Ltd
  42, Free Press House,
  215 Nariman Point,
  Mumbai – 400 021.
  Email – auditcommitteechairman@bluestarindia.com
  Phone – 022-22871806

7. How does the mechanism work?

i. The main point of contact will be the Ethics Officer who would be responsible to administer this policy.

ii. The informant/ Whistle Blower would need to divulge their name and contact details along with the complaint. Anonymous complaints will not be entertained through the process mentioned under this policy.

iii. After a complaint is reported as per the policy by the informant, it will be recorded by the Ethics Officer and thereafter investigated by the Ethics Committee comprising Head of HR, Head of Finance (CFO) and Company Secretary.(Ethics Officer).

iv. a. Based on a preliminary enquiry by the Ethics Committee, if it appears that the complaint reported has no basis, or it is not a matter to be pursued under this policy, it may be dismissed at that stage and decision documented without recourse to the informant.

b. However, if the complaint is found to have merit, the Ethics Committee will forward their findings to the Managing Director and the Chairman of the Audit Committee, to advise further action, if warranted in terms of this policy.

v. a. The Managing Director and Chairman of the Audit Committee may decide the further course of action and instruct concerned officers accordingly.

b. The results of the investigation will be communicated by the Ethics Officer to the Audit Committee on a quarterly basis.

vi. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the informant that an inappropriate or unethical act was committed.

vii. Based on the result of investigation, further action will be taken as per Company's rules giving due regard to the principles of natural justice. Penal actions may include termination of employment of the employee, initiating legal action, etc.

viii. Upon conclusion of an investigation, the Ethics Officer would convey the outcome of the investigation to the Whistle Blower employee.

ix. On a quarterly basis, the information with regard to the status of complaints received, investigated and concluded will be shared by the Ethics Officer with the Audit Committee.

8. Confidentiality

i. All complaints reported will be kept confidential and will be shared strictly on a 'need-to-know' basis

ii. The informant, the defendant, the Ethics Officer, the members of the Ethics Committee, the Managing Director, Chairman of the Audit Committee, the investigator and everyone involved in the process shall:

a. Maintain complete confidentiality on the matter.

b. Discuss only to the extent or with the persons required for the purpose of completing the process and investigations.

c. Not keep the documents/evidences pertaining to the investigation unattended anywhere at any time.

d. Keep electronic mails/files under password protection.

iii. Whistle blower/informant's identity will be disclosed to the concerned internal and external authorities only in the following circumstances:

a. The person agrees to be identified.

b. Identification is necessary to allow the Company or law enforcement officials to investigate or respond effectively.

c. Identification is required by the law.

d. In cases identified by the Managing Director and the Chairman of the Audit Committee as “frivolous” or “bogus complaint” or “with malafide intent”.

9. Protection of informants

i. If a person reports a complaint under this policy, he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance.

ii. He/she will not be at the risk of losing his/her job or suffer loss in any other manner such as transfer, demotion, refusal of promotion, or the like, including any direct or indirect use of authority to obstruct the informant’s right to continue to perform his/her duties/functions.

iii. The protection is available, provided all the conditions set out below are met:

a. The communication is made in good faith.

b. He/she reasonably believes that the information and any allegations contained in it are substantially true.

c. He/she is not acting for personal gain.

d. He/she is not involved in the complaint reported.

10. False complaints

i. It is to be clearly understood that vide this policy a whistle blowing mechanism is being established and should not be used as a forum for venting individual grievances.

ii. Making frivolous or bogus complaints through whistle blowing channels is strictly prohibited and not acceptable by the Company.

iii. A person making complaints which upon investigation is found to be false or made with malafide intentions, will be subject to strict disciplinary actions, including suspension or termination of services.