

## **VIGIL MECHANISM (WHISTLE BLOWER POLICY)**

**WBP/01/06/2015**

### **Preface**

The Company has adopted the Code of Ethics & Business Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, 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 Code cannot be undermined. Accordingly, this Whistle blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for employees of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

Further, Sec 177 read with Rule 7 of the Companies (Meeting of the Board and its Powers), 2014 provides a mandatory requirement for certain companies to establish a Vigil Mechanism for directors and employees to report the concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy.

### **Objective**

The purpose of the policy is to provide a framework to promote responsible and secure whistle blowing. It creates an environment for the employees to report any instance of unethical behaviour, actual or suspected fraud or violation of the Company's policy and processes.

### **Policy**

This Policy is applicable to all stakeholders of the Company. These stakeholders may fall into the following broad categories:

- a. Directors of the Company
- b. Employees of the Company including part time /contractual /retainers terms

### **Definitions**

1. “Company” means Star Agriwarehousing & Collateral Management Ltd.
2. “Director” means a Director on the board of the Company whether whole-time or otherwise.
3. “Disciplinary Action” means any action that can be taken on the completion of/ during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
4. “Employee” means every employee of the Company (whether working in India or abroad).
5. “Protected Disclosure” means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

6. "Subject" means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
7. "Whistle Blower" is someone who makes a Protected Disclosure under this Policy.
8. "Whistle Officer" or "Committee" means an officer or Committee of persons who is nominated /appointed to conduct detailed investigation.
9. "Ombudsperson" will be the chairman of the Audit Committee for the purpose of receiving all complaints under this Policy and ensuring appropriate action.

## Key Guidelines

- i. To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will
  - (a) Ensure that the Whistle Blower and/or the persons processing the Protected Disclosure is not victimised for doing so.
  - (b) Treat victimisation as a serious matter including initiating disciplinary action on such person(s).
  - (c) Ensure complete confidentiality.
  - (d) Take disciplinary measures, if any one destroys or conceals evidence of the protected disclosure made/to be made.
  - (e) Provide an opportunity to be heard to the persons involved especially to the Subject.

## Coverage of Policy

This Policy covers any form of wrongdoing that may be noticed within the Company and includes any of the following (the list given below is only indicative and not an exhaustive one);

- Violation of the Code of Conduct
- Unlawful conduct,
- Misconduct with other employees, customers or suppliers
- Violation of any legal or regulatory provisions
- Misrepresentation of facts and information related to the company that causes breach of trust of customer
- Unauthorized use of company's funds
- Criminal offence such as fraud, theft, corruption, etc.
- Sexual or other form of harassment
- Discrimination against an employee or customer of service provider on the grounds of sex, religion, caste or disability
- Any other form of improper action or conduct

This Policy has been provided so as to enable raising of any issues or wrong doings at an early stage to avoid escalation of the issue to cause major harm to the Company or any of the stakeholders.

## **Disqualifications**

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 this protection will warrant Disciplinary action.

Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala-fide, frivolous or malicious shall be liable to be prosecuted under Company's Code of Conduct

## **Procedure for raising concern**

A complainant may make Protected Disclosure in writing to the Ombudsperson by sending an e-mail to email id (whistleblower@staragri.com) especially created for the purpose.

If the initial enquiries by Ombudsperson indicate that the concern has no basis, it may be dismissed and the decision is documented.

When the initial enquiries indicate that further investigation is necessary, it will be carried on either by ombudsperson or the persons nominated by Audit Committee for the purpose. A written report of the finding will be made to the Committee.

On submission of the written report, the Ombudsperson shall either

- (i) In case the Protected Disclosure is proved, accept the findings of the Whistle Blower Person and take such disciplinary action as he may think fit or
- (ii) If the Protected Disclosure is not proved, dismiss the matter or
- (iii) Depending upon the seriousness of the matter, refer the matter to the Committee.

In exceptional cases, if the Whistle Blower is not satisfied with the outcome of the investigation, s/he can make direct appeal to the Chairman of the Audit Committee.

## **Protection to Whistle Blower**

If an individual raises any concern under this Policy, the company shall ensure that he / she is not put at any risk of reprisal / retaliation. Retaliation could include harassment, discrimination or vengeance of any manner.

- a. Protection under this policy shall be available provided that:
- b. The disclosure has been made in good faith
- c. The complainant reasonably believes that the information provided and the allegations made are substantially true
- d. The complaint is not made with any malicious intent or for personal gain

The Company encourages individuals who want to raise any concern to do so by disclosing their identity to the reporting authority. Though the company will consider complaints made anonymously, it is much more difficult to address the matter or provide protection to the position of the complainant.

The identity of the complainant shall be kept confidential. However, in instances that require the disclosure of the identity of the complainant in order to resolve the concern, the manner in which the process will be conducted will be discussed with the complainant and as far as possible, attempts would be made to meet his / her preferences on revealing the identity.

An individual who abuses this Policy by reporting a concern, knowing it to be untrue, for a malicious intent shall be subject to Disciplinary Action.

No action will be taken against an individual for raising a concern in good faith, believing it to be true, even if the allegation is subsequently not confirmed through investigation.

## **Confidentiality**

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at any time
- e. keep the electronic mails/files under password

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

## **Reporting**

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

\*The Board of Directors of the Company at its meeting held on June 10, 2015 has approved the policy.