



WHISTLE BLOWER POLICY/ VIGIL MECHANISM

PREFACE

To provide a mechanism to anyone connected with IndoStar Capital Finance Limited (“ICF” or “Company”) to approach the Audit Committee of the Company and disclose unethical and improper practices or any other wrongful conduct in the Company and to prevent managerial personnel from taking any adverse personnel action against such person(s) for reporting such matters, the Board of Directors at its meeting held on 17 May 2013 adopted ‘Whistle Blower Policy’ for the Company.

Section 177 of the Companies Act, 2013 and rules framed thereunder requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted various codes and policies which lay down the principles and standards that govern the actions of the Company and its employees. Any actual or potential violation of the codes and policies, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company.

ICF being a listed company as per the provisions of the Companies Act, 2013, proposes to establish a whistle blower/ vigil mechanism and accordingly, formulate / update the existing Whistle Blower Policy and modify the same to Whistle Blower Policy/ Vigil Mechanism (“Policy”).

Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

POLICY OBJECTIVES

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages anyone connected with the Company including the Directors, employee(s), investor(s) of the Company, vendor(s) (including consultant(s) and due diligence agencies), customer(s) and client(s) who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The Policy provides a channel to report to the management concerns about unethical behavior, actual or suspected fraud or violation of various codes or policies of the Company.

This neither releases Directors, employee(s), investor(s) of the Company, vendor(s) (including consultant(s) and due diligence agencies), customer(s) and client(s) from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and/ or colleagues in general.

SCOPE OF THE POLICY

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by Whistle Blowers concerning its employees. Specific examples will include:

ICF Whistle Blower Policy/ Vigil Mechanism

- Criminal Offences (corporate fraud, corruption, bribery or theft), which have been or are likely to be committed;
- Unethical business conduct and serious irregularities, regulatory or financial;
- Conflict of business interest;
- Misuse of Company assets;
- Misuse of authority;
- Wilful suppression of facts;
- Funds being used in any unauthorized manner;
- Mis - Statement in the Company's financial records and distorting the true nature of the transaction;
- Falsification of transactions/ documents;
- Miscarriage of justice or any injustice which has been or is likely to be done;
- Health or Safety of any individual/ employee is likely to be endangered;
- Discrimination occurring to any member of the staff such as favouritism, communal bias, sexual harassment etc;
- Actions exceeding the authority granted in the day to day course of business;
- Any other form of improper action or conduct.

DEFINITIONS

"Alleged wrongful conduct" shall mean and include but not limit to violation of law, infringement of Company's rules, Codes & Policies, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority, criminal offence, unethical business conduct, misuse of authority, manipulation/ tampering of official documents, distorting the financial records, falsely representing the Company.

"Audit Committee" means a Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and rules framed thereunder.

"Board" means the Board of Directors of the Company.

"Company" means the IndoStar Capital Finance Limited and all its offices.

"Employee" means all the present employees including all Director(s) of the Company.

"Protected Disclosure" means a concern raised by an employee or group of employees of the Company, director(s), investor(s) of the Company, vendor(s) (including consultant(s) and due diligence agencies), customer(s) and client(s) through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title "SCOPE OF THE POLICY" with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

"Subject" means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

"Vigilance and Ethics Officer" means an officer appointed by the Audit Committee, from time to time, to receive Protected Disclosures from Whistle Blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

“**Whistle Blower**” is an employee or group of employees, director(s), investor(s) of the Company, vendor(s) (including consultant(s) and due diligence agencies), customer(s) and client(s) who make a Protected Disclosure under this Policy and also referred in this Policy as complainant.

ELIGIBILITY

All directors, employee(s), investor(s) of the Company, vendor(s) (including consultant(s) and due diligence agencies), customer(s) and client(s) of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

- All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.
- The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “**Protected Disclosure under the Whistle Blower Policy/ Vigil Mechanism**”. Alternatively, the same can also be sent through email with the subject “**Protected Disclosure under the Whistle Blower Policy/ Vigil Mechanism**”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the Whistle Blower and the Protected Disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the Whistle Blower and they are advised neither to write their name/ address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- The Protected Disclosure should be forwarded under a covering letter signed by the Whistle Blower. The Vigilance and Ethics Officer / Chairman of the Audit Committee as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee in exceptional cases. The contact details of the Vigilance and Ethics Officer is as under:

Name and Address:

Jitendra Bhati
IndoStar Capital Finance Limited
One Indiabulls Centre, Tower 2A, 17th Floor,
Jupiter Mills Compound, Senapati Bapat Marg,
Mumbai - 400013

Email- jbhati@indostarcapital.com

- Protected Disclosure against the Vigilance and Ethics Officer and Chairman of the Audit Committee should be addressed to the Managing Director & CEO of the Company and the Protected Disclosure against the Managing

Director & CEO of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the Managing Director & CEO and the Chairman of the Audit Committee are as under:

Name and Address of Managing Director & CEO:

Mr. Vimal Bhandari
IndoStar Capital Finance Limited
One Indiabulls Centre, Tower 2A, 17th Floor,
Jupiter Mills Compound, Senapati Bapat Marg,
Mumbai – 400013

Email- vimalbhandari@indostarcapital.com

Name and Address of the Chairman of Audit Committee:

Mr. Bobby Parikh
IndoStar Capital Finance Limited
One Indiabulls Centre, Tower 2A, 17th Floor,
Jupiter Mills Compound, Senapati Bapat Marg,
Mumbai - 400013

Email- bobby.parikh@bmradvisors.com

- On receipt of the Protected Disclosure, the Vigilance and Ethics Officer / Chairman of the Audit Committee / Managing Director & CEO, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the Protected Disclosure or not. He shall place the matter to the Audit Committee of the Company which would be the nodal agency for further appropriate investigation and needful action.
- The Vigilance and Ethics Officer shall maintain a record of how the complaint has been dealt with. The record shall contain:
 - a) Brief facts;
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether the same Protected Disclosure was raised previously on the same Subject;
 - d) Details of actions taken by Vigilance and Ethics Officer for processing the complaint
 - e) Findings of the Audit Committee
 - f) The recommendations of the Audit Committee/ other action(s).

INVESTIGATION

- All Protected Disclosures under this Policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other officer of the Company and/ or an outside agency for the purpose of investigation.
- The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

ICF Whistle Blower Policy/ Vigil Mechanism

- Subject(s) shall have a duty to co-operate with the Audit Committee or any of the officers appointed by it in this regard.
- Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the Subject(s).
- Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- The investigation shall be completed normally within 90 days of the receipt of the Protected Disclosure and is extendable by such period as the Audit Committee deems fit.

DECISION AND REPORTING

- If an investigation leads the Audit Committee to conclude that an improper or unethical act has been committed, the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any. The report shall be quarterly discussed in the Audit Committee. If the Protected Disclosure is against any member of the Audit Committee (including the Chairman of the Committee) such an individual shall recuse from the proceedings of the Audit Committee when the matter is being discussed.
- In case the Subject is the Managing Director of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- If the report of investigation is not to the satisfaction of the Whistle Blower, the Whistle Blower has the right to report the event to the appropriate legal or investigating agency.
- A Whistle Blower who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject, shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

SECRECY/ CONFIDENTIALITY

The Whistle Blower, Vigilance and Ethics Officer, Members of Audit Committee, Managing Director & CEO, the Subject and everybody involved in the process shall:

- Maintain confidentiality of all matters under this Policy
- Discuss only to the extent or with those persons as required under this Policy for completing the process of investigations.
- Not keep the papers related to any Protected Disclosures or related investigation unattended anywhere at any time
- Keep in a secure manner all the electronic mails / files related to any Protected Disclosure or related investigation.

PROTECTION

- 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 a policy, 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 of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties /functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the Whistle Blower being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this Policy, unless the issue requires investigation by law enforcement agencies, in which case relevant members of the organization are subject to subpoena.
- Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- Provided however that the Whistle Blower before making a complaint has reasonable belief that an issue exists and he / she has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the Whistle Blower shall be subject to disciplinary action as per the

rules / certified standing orders of the Company. This Policy does not protect a complainant from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this Policy.

ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

COMMUNICATION

A Whistle Blower Policy/ Vigil Mechanism cannot be effective unless it is properly communicated to Employees. The Whistle Blower Policy/ Vigil Mechanism shall also be placed on the website of the Company.

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 period of 7 (seven) years or such other period as specified by any other law in force, whichever is more. The Record Retention Policy of the Company shall incorporate suitable provision in this regard.

ADMINISTRATION AND REVIEW OF THE POLICY

The Audit Committee shall be responsible for the administration, interpretation, application and review of this Policy. The Audit Committee also shall be empowered to make necessary changes to this Policy, if required, with the concurrence / approval of the Audit Committee.

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. However, no such amendment or modification will be binding unless approved by the Audit Committee and the modified Policy being placed on the website of the Company.