

**VIGIL MECHANISM**

**FINO PAYTECH LIMITED**

**1. PREAMBLE**

1.1 Section 177 of the Companies Act, 2013, 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. Such a vigil mechanism shall provide adequate safeguards against victimisation of people who use such a mechanism, and also make a provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

1.2 FINO PayTech Ltd (FINO) has established a Vigil Mechanism and formulated a policy for the same.

**2. OBJECTIVES OF THE MECHANISM**

2.1 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 employees having concerns about suspected misconduct, to come forward and express these concerns, without the fear of punishment or unfair treatment. The Vigil Mechanism provides a channel to the employees and Directors of the Company to report any concerns about unethical behavior, actual or suspected fraud, or violation of the Codes of Conduct or policy of the company, directly to the management. The mechanism also provides for adequate safeguards against victimisation of employees and Directors who avail this mechanism. In exceptional cases, it also provides for direct access to the Chairman/CEO/Chairman of the Audit Committee.

2.2 However, this does not release employees from their duty of confidentiality, in the course of their work, nor shall it be used as a route for raising malicious or unsubstantiated allegations against people in authority and/or colleagues in general.

### **3. SCOPE OF THE MECHANISM**

#### 3.1. This mechanism covers

- Malpractices and events that have taken place or 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.
- Any such matters or an activity that adversely affects the interest of the Company and is formally reported by whistle blowers/vigil mechanism.

### **4. DEFINITIONS**

- 4.1 “Alleged wrongful conduct” shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.
- 4.2 “Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance with Companies Act, 2013 as amended from time to time.
- 4.3 “Board” means the Board of Directors of the Company.
- 4.4 “Company” means FINO PayTech Limited and all its offices.
- 4.5 “Code” means Code of Conduct for all the employees adopted by FINO PayTech Limited.
- 4.6 “Employee” means all the present employees and the Whole-time Director of the Company.

- 4.7 “Protected Disclosure” means a concern raised by an employee or group of employees of the Company, through 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, nor in the nature of an interpretation/conclusion, and should contain as much specific information as possible to allow proper assessment of the nature and extent of the concern.
- 4.8 “Subject” means a person or group of persons against whom or in relation to whom a Protected Disclosure is made, or evidence gathered during the course of an investigation.
- 4.9 “Vigilance and Ethics Officer” means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof and placing the same before the Audit Committee for its disposal. The Vigilance and Ethics Officer is also responsible for informing the whistle blower about the result thereof.
- 4.10 “Whistle Blower” is an employee or group of employees who make a Protected Disclosure under this Policy, also referred to in this policy as the complainant.

## **5. ELIGIBILITY**

All Employees of the Company are eligible to make Protected Disclosures under the Policy, in relation to matters concerning the Company and/or the Chairman of the Audit Committee.

## **6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES**

- 6.1 All Protected Disclosures should be reported in writing by the complainant/Whistle Blower, after he/she becomes aware of the same, as soon as possible, so as to ensure a clear understanding of the issues raised. The report should either be typed or written in legible handwriting.



## FINO PAYTECH LIMITED

6.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected disclosure under the Vigil Mechanism”. Alternatively, the same can also be sent via an email with the subject “Protected disclosure under the 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 complainant, and the protected disclosure will be dealt with as a normal disclosure.

6.3 In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants. Also, the complainants are advised neither to write their name nor their 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/she will get in touch with the complainant.

Anonymous/Pseudonymous disclosures shall not be entertained by the Vigilance and Ethics Officer.

6.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer/Chairman of the Audit Committee/Executive Director/Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

6.5 All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company. The contact details of the Vigilance and Ethics Officer is as under:

Name and Address: Mr. Basavraj Loni

FINO PayTechLimited

S.K Elite, Plot No. D – 404 & D- 405, 5<sup>th</sup> Flr.

MIDC Turbhe, Navi Mumbai – 400 705

Landline: 022 – 71377000

Email: [basavraj.loni@finopaytech.com](mailto:basavraj.loni@finopaytech.com)

6.6 Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Executive Director of the Company, Protected Disclosure against the Executive Director of the Company should be addressed to the Chairman of the Audit Committee, and Protected Disclosure against the Chairman of the Audit Committee should be addressed to Chairman of the Board. The contact details of the Executive Director, Chairman of the Audit Committee and the Chairman of the Board are as under:

Mr. Sudeep Gupta  
Whole-time Director of FINO PayTech Limited  
S.K Elite, Plot No. D – 404 & D- 405, 5<sup>th</sup> Flr.  
MIDC Turbhe, Navi Mumbai – 400 705  
Landline: 022 – 71377000  
Email- [sudeep.gupta@finopaytech.com](mailto:sudeep.gupta@finopaytech.com)

Name and Address of the Chairman of the Audit Committee –

Mr. Ashok Kini  
FINO PayTech Limited  
S.K Elite, Plot No. D – 404 & D- 405, 5<sup>th</sup> Flr.  
MIDC Turbhe, Navi Mumbai – 400 705  
Landline: 022 – 71377000

Name and Address of the Chairman of the Board –

Mr. Ashok Kini  
FINO PayTech Limited  
S.K Elite, Plot No. D – 404 & D- 405, 5<sup>th</sup> Flr.  
MIDC Turbhe, Navi Mumbai – 400 705  
Landline: 022 – 71377000



## **FINO PAYTECH LIMITED**

6.7 On receipt of the protected disclosure, the Vigilance and Ethics Officer/Executive Director/Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also confirm from the complainant whether he/she was actually the person who made the protected disclosure or not. He/she shall also carry out initial investigation either by himself/herself, or by involving any other Officer of the Company, or an outside agency, before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action.

The record will include:

- 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 the actions taken by the Vigilance and Ethics Officer/Chairman/Executive Director for processing the complaint.
- e) Findings of the Audit Committee.
- f) Recommendations of the Audit Committee/other action(s).

6.8 The Audit Committee, if it deems fit, may call for further information or particulars from the complainant.

## **7. INVESTIGATION**

7.1 All protected disclosures under this mechanism will be recorded and thoroughly investigated. The Audit Committee may investigate, and at its discretion, may consider



## **FINO PAYTECH LIMITED**

involving any other Officer of the Company and/or an outside agency for the purpose of investigation.

- 7.2 The decision to conduct an investigation is by itself not an accusation, and it is to be treated as a neutral fact-finding process.
- 7.3 Subject(s) will normally be informed in writing of the allegations, at the outset of a formal investigation, and they will have opportunities for providing their inputs during the investigation.
- 7.4 Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- 7.5 Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer/Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- 7.6 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).
- 7.7 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 wrongdoing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 7.8 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.



## **FINO PAYTECH LIMITED**

7.9 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.

### **8. DECISION AND REPORTING**

8.1 If an investigation leads the Vigilance and Ethics Officer/Chairman of the Audit Committee to conclude that an improper or unethical act has indeed been committed, the Vigilance and Ethics Officer/Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he/she 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/staff conduct and disciplinary procedures.

8.2 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 the investigations, if any.

8.3 In case the subject is the Executive 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. In case the Subject is the Audit Committee Chairman, the Chairman of the Board of Directors, after examining the Protected Disclosure, shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee members shall appropriately and expeditiously investigate the Protected Disclosure.

8.4 If the report of the investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to another appropriate legal or investigating agency.

8.5 A complainant who makes false allegations of unethical and improper practices, or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit



## **FINO PAYTECH LIMITED**

Committee, shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

### **9. SECRECY/CONFIDENTIALITY**

9.1 The complainant, Vigilance and Ethics Officer, Members of the Audit Committee, the Subject and everybody involved in the process shall:

9.1.1 Maintain confidentiality of all matters under this Policy.

9.1.2 Discuss only to the permissible extent or with those persons as required under this policy to complete the process of investigation.

9.1.3 Not keep the associated papers unattended anywhere, at anytime.

9.1.4 Keep the electronic mails/files password protected.

### **10. PROTECTION**

10.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this mechanism. The company, as a policy, condemns any kind of discrimination, harassment, victimisation, 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 likes, including any direct or indirect use of authority, to obstruct the Whistle Blower's right to continue to perform his duties/functions, including making any further Protected Disclosures. The company will take steps to minimise difficulties that 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.



## **FINO PAYTECH LIMITED**

- 10.2 A Whistle Blower may report any violation of the above clause, to the Chairman of the Audit Committee, who shall investigate the matter and recommend suitable action to the management.
- 10.3 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/she himself has made his/her details public or discloses his/her identity to any other officer or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorised 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, members of the organisation are subject to a subpoena.
- 10.4 Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 10.5 Provided the complainant, 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 reviewed seriously, and the complainant shall be subject to disciplinary action as per the rules/certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practices, etc. as that becomes unrelated to a disclosure made pursuant to this policy.

## **11. ACCESS TO THE CHAIRMAN OF THE AUDIT COMMITTEE**

- 10.1 In exceptional cases, the Whistle Blower shall have the right to access the Chairman of the Audit Committee directly, and the Chairman of the Audit Committee is authorised to prescribe suitable directions in this regard.



## **FINO PAYTECH LIMITED**

### **12. COMMUNICATION**

10.1 The Vigil Mechanism cannot be effective unless it is properly communicated to all employees. Employees shall be informed by publishing in the notice board as well as the website of the company.

### **13. RETENTION OF DOCUMENTS**

10.1 All Protected disclosures in writing, or documented, along with the results of the 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 applicable law in force, whichever is more.

### **14. ADMINISTRATION AND REVIEW OF THE MECHANISM**

10.1 The Executive Director shall be responsible for the administration, interpretation, application and review of this policy. The Executive Director shall also be empowered to bring about necessary changes to this Policy, if required, at any stage, with the concurrence of the Audit Committee.

### **15. AMENDMENT**

15.1 The Company reserves the right to amend or modify this mechanism 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 and Directors, unless the same is notified to them in writing.

This is adopted in the Meeting of the Board of Directors held on July 31, 2014.

This amended Vigil Mechanism is adopted at the Meeting of Board of Directors held on 12<sup>th</sup> February, 2019.