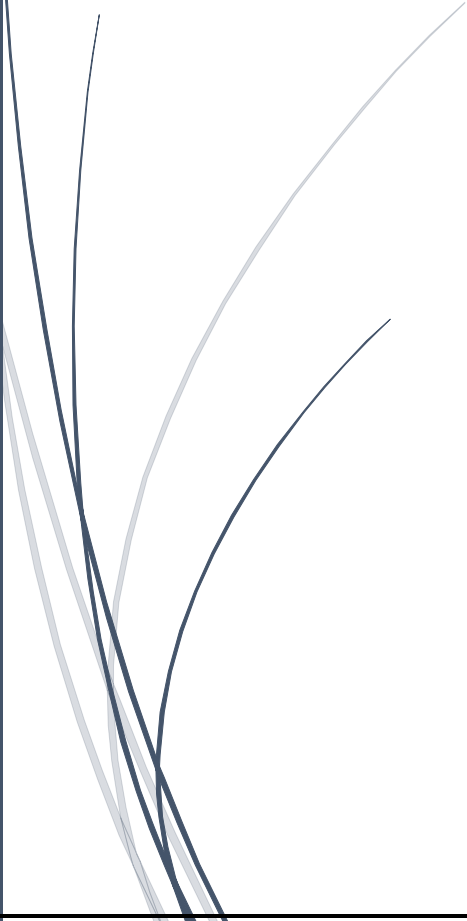




AUGUST 2014

Whistleblowers Policy

Internal Policy



HUMAN RESOURCES DEPT.
ELECTRONIC PAYMENT AND SERVICES (P) LTD.

VIGIL MECHANISM / WHISTLEBLOWERS POLICY OF ELECTRONIC PAYMENT AND SERVICES (P) LTD.

1. PREAMBLE

Section 177 (9) of the Companies Act, 2013 requires every listed company and such classes of companies as prescribed by the Companies (Meetings of Board and its Powers) Rules, 2014 (“Rules”) to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

Electronic Payment And Services (P) Ltd. (“The Company”) had adopted a Code of Conduct for Employees (“The Code”), which lays down the principles and standards that should govern their actions. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious Protected Disclosure for the Company and should be brought to the attention of the concerned. A vigil mechanism shall provide for adequate safeguards against victimization of persons who can also use such mechanism for reporting genuine concerns including above.

It also makes provision for direct access to Mr. Mani Mamallan, Managing Director of the Company in appropriate or exceptional cases.

Under these circumstances, the Company, being a company which falls within the class of companies required by the Rules to form such policy, proposes to formulate a Whistle Blower Policy / Vigil Mechanism.

The Board of directors have nominated Mr. Mani Mamallan, Managing Director to play the role of audit committee for the purpose of vigil mechanism, to whom other directors and employees may report their concerns.

2. DEFINITIONS

A. **“Alleged Wrongful Conduct”** shall mean any violation of law, infringement of the Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

B. **“Board”** means the Board of Directors of the Company.

C. **“Code”** means the Code of Conduct for Employees adopted by the Company, as defined above.

D. **“Employee”** means all the present employees and whole time directors of the Company (whether working in India or abroad), including advisors, consultants and contractors.

E. **“Protected Disclosure”** means a disclosure, made by an employee or group of employees of the Company, through a written communication, in good faith, which discloses or demonstrates information about an unethical or improper activity with respect to or relating 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.

F. **“Policy”** means this Whistle Blower Policy.

G. **“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.

H. **“Vigilance and Ethics Officer”** means an officer appointed to maintain records regarding the Protected Disclosure thereof, placing the same before Mr. Mani Mamallan, Managing Director for its disposal and informing the result thereof.

1. **“Whistle Blower”** is an Employee or group of Employees who make a Protected Disclosure under this Policy.

3. OBJECTIVES

- To enable Employees voice concerns in a responsible & effective manner.
- To provide a platform for Employees to disclose information internally, without fear of reprisal or victimization, where such Employee has a reason to believe that the information shows serious malpractice, impropriety, abuse or wrongdoing within the Company.
- To enable disclosure of information, independently of line management (although in relatively minor instances the immediate Superior would be the appropriate person to be informed).
- To ensure that no Employee of the Company feels she / he is at a disadvantage while raising legitimate concerns.
- Provide an opportunity of being heard to the persons involved especially to the Subject.

4. APPLICABILITY

- All Employees of the Company. As per the definition of Employee, this would include all the present employees and whole time directors of the Company (whether working in India or abroad), including advisors, consultants and contractors.

5. PROCESS OWNER

The Head of HR will be the process owner for this Policy.

6. DISQUALIFICATIONS

- A.** 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.
- B.** 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.
- C.** 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 the Code.

7. POLICY & PROCEDURE

Constituents of Malpractice, Impropriety, Abuse or Wrongdoing:

Malpractice, impropriety, abuse and wrongdoing (hereinafter referred to as “Concern”) can include a whole variety of issues and some are listed below. However, this is not a comprehensive list but is intended to illustrate the sort of issues, which may be raised under this Policy.

- Any unlawful act, whether criminal (e.g. theft) or a breach of the civil law (e.g. slander or libel).
- Breach of the Code or of any Policy or manual or rule adopted by the Company.
- Health and safety risks, including risks to the public as well as other Employees (e.g. faulty electrical equipment).

- Fraud and corruption (e.g. to solicit or receive any gift / reward as a bribe).
- Any instance of failure to comply with legal or statutory obligation either for and on behalf of the Company or in any personal capacity in the course of discharging duties of the Company.
- Any instance of financial malpractice of any sort.
- Abuse of power (e.g. sullyng / harassment).
- Any other unethical or improper conduct.
- Any actions taken to conceal any of the above.
- Pilferation of confidential / propriety information.
- Wastage / misappropriation of the Company's funds / assets.

8. DISCLOSURE OF THE PROTECTED DISCLOSURE

- It is acceptable for the Employee to discuss her / his Protected Disclosure with a colleague. The Employee may find it more comforting to raise the matter if there are two (or more) Employees who share the same Concerns.
- An Employee intending to make any disclosure of a Protected Disclosure is required to disclose all relevant information.

The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as **"Protected Disclosure under the Whistleblower Policy"**. Alternatively, the same can also be sent through email with the subject **"Protected Disclosure under the Whistleblower Policy"**. If the Protected Disclosure is not super scribed and closed as mentioned above, it will not be possible for the Vigilance and Ethics Officer to protect the Whistle Blower and the Protected Disclosure will be dealt with as if a normal disclosure.

- The Vigilance and Ethics Officer and the alternate shall be nominated by the Board. The Current Vigilance and Ethics Officer is **Mrs. Vidya Rani Mani Mamallan**.
- The Protected Disclosure shall be disclosed through e-mail or fax to the Director nominated by the Board, **Mr. Mani Mamallan**. The e-mail address, telephone and fax number details are set out in the Employee Handbook.

9. INVESTIGATION OF THE PROTECTED DISCLOSURE

The Protected Disclosure shall be investigated by the Director nominated by the Board, Mr. Mani Mamallan or Vigilance and Ethics Officer either by himself or through any other person as deemed necessary by the Director so appointed or Vigilance and Ethics Officer. A copy of the Protected Disclosure disclosed shall be furnished to the Board, in complete confidentiality, for information.

10. DECISION FOR THE PROTECTED DISCLOSURE

A preliminary decision vis-à-vis the Protected Disclosure disclosed at business shall be taken to the Board with a full investigation report by the Director so appointed by Board and/or Vigilance and Ethics Officer.

11. RULES FOR INVESTIGATION & DECISION BY THE BOARD

The Board in consultation the Management Committee shall frame and circulate such rules as may be deemed necessary to enable a fair conduct of inquiry and investigation as well as decision.

12. PROCEDURE FOR HANDLING PROTECTED DISCLOSURE

Once any Protected Disclosure has been made by an Employee, the Director so appointed by Board and /or Vigilance and Ethics Officer to whom such disclosure has been made shall pursue the following steps:

- Acknowledge receipt of the Protected Disclosure within 5 working days. The receipt shall set out the details of the Concern.
- Close the matter (where possible) within 60 days.
- Obtain full details and clarifications of the Protected Disclosure.
- Consider the involvement of the Company's Auditors or the Police or any other external investigation agency or person.
- Fully investigate the allegation with the assistance where ever appropriate, of other individuals / bodies.
- Prepare a detailed written report and submit the same to the Board, as the case may be, not later than 30 days from the date of disclosure of Concern.
- Give the Employee as much feedback as it can.
- The Company may not be able to inform the Employee the precise action it takes where this would violate a duty of confidence owed by the Company to someone else.
- The Company will take steps to minimize any difficulties, which the Employee may experience as a result of raising the Concern. Thus, if the Employee is required to give evidence in criminal or disciplinary proceedings the Company will arrange for the Employee to receive advice about the procedure.

13. Procedure to be pursued by the Board

- The Board will, based on the findings in the written report submitted by the Vigilance and Ethics Officer and after conducting further investigation as it may deem fit, come to a final decision in the matter (where possible) not later than 30 days from the date of receipt of the written report.
- If the Protected Disclosure is shown to be justified, then the Board shall invoke the disciplinary or other appropriate action against the concerned as per Organization's procedures.
- A copy of the decision in writing shall be sent to the Vigilance and Ethics Officer who shall also place the same before a meeting of the Board held as soon as practicable after the date of such a final decision.

14. Appeal against the decision of the Board

If the Whistle Blower or the person complained against is not satisfied with the decision of the Board, then either of the Parties may appeal against this decision by sending a report to the Board explaining why this is the case. The Protected Disclosure will be re-investigated, if the Board decides there is good reason to do so.

15. Anonymous Allegations

This Policy encourages Employee to put her/his name to any disclosures she/he makes in writing.

In case an anonymous Protected Disclosure carries references to verifiable facts and figures, these would be verified and if found true, the Protected Disclosure will be taken up and investigated. However, it may be difficult for the Director so appointed and/or Vigilance and Ethics Officer to access full details and make a proper assessment of the Concern.

16. Maintaining confidentiality of the Protected Disclosure as well as the disclosure

The Employee making the disclosure of Protected Disclosure as well as any of the persons to whom the Protected Disclosure has been disclosed or any of the persons who will be investigating or deciding on the investigation, shall not make public the Protected Disclosure disclosed except with the prior written permission of the Board. However, this restriction shall not be applicable if any Employee is called upon to disclose this issue by any judicial process and in accordance with the laws of land.

17. Assurances under the Policy

- In making a disclosure the employee shall exercise due care to ensure the accuracy of the information. If an employee raises a genuine Protected Disclosure under this Policy, she/he will not be at risk of losing her/his job due to raising the Protected Disclosure nor will she/he suffer from any form of retaliation as a result.
- The Company will not tolerate any harassment or victimization (including informal pressures) against the disclosing employee and will take appropriate action to protect the employee when she/he raises a Protected Disclosure in good faith.
- The identity of the employee will not be revealed unless the employee himself has made either the details of the Protected Disclosure public or disclosed his identity to any other office or authority. However, it is possible that the Company will be unable to resolve the Protected Disclosure, raised without revealing the Employee's identity (e.g. required for conducting an effective investigation or when evidence is needed in a Court).
- If this occurs the Company will discuss the matter with the Employee at the earliest opportunity.

18. Complaints of retaliation as a result of disclosure

- If an Employee believes that she/he has been victimized in the form of an adverse personnel action for disclosing Protected Disclosure under this Policy she/he may file a written complaint with the Director so appointed and/or Vigilance and Ethics Officer.

- For the purposes of this Policy an adverse personnel action shall include:
 - a disciplinary action
 - a suspension
 - a decision not to promote
 - a decision not to grant a salary increase
 - a decision not to hire
 - a separation
 - an involuntary demotion
 - rejection during probation
 - a performance evaluation in which the Employee's performance is generally evaluated as unsatisfactory
 - an involuntary resignation
 - an involuntary retirement
 - an involuntary reassignment to a position with demonstrably less responsibility or status as compared to the one held prior to the reassignment
 - an unfavorable change in the general terms and conditions of employment

19. COMMUNICATION

A Whistle Blower Policy cannot be effective unless it is properly communicated to Employees. Employees shall be informed of this Policy by publishing it on the Company's notice board and the website of the Company.

20. 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 10 years or such other period as specified by any other law in force, whichever is more.

21. ADMINISTRATION AND REVIEW OF THE POLICY

The Board of Directors shall be responsible for the administration, interpretation, application and review of this Policy. The Board also shall be empowered to bring about necessary changes to this Policy, if required at any stage.

22. 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 on the Employees and Directors unless the same is notified to them in writing.