



Guidelines on Whistleblower Mechanism

SEP 2025

Version Control

Version 1.1 was published on 25 Sep 2025 with the approval of the Board¹.

¹ Through email circulated on 22 Sep 2025

Contents

Version Control	2
Introduction	4
Context	4
Applicability	4
Definitions	4
Policy	4
Awareness and training.....	5
Reporting.....	5
Investigation process.....	5
Decision and reporting.....	6

Introduction

Context

The whistleblower mechanism enables the company's employees/stakeholders to raise concerns about malpractices in the company, while being protected from retaliation, victimisation, or dismissal. It is a key part of good corporate governance, developing fair business conduct with professionalism, honesty, integrity, and ethical behaviour.

The guidelines on the whistleblower mechanism aim to guide members in framing and implementing a whistleblower and vigilance process that supports internal controls, enabling employees and stakeholders to report unethical practices, fraud, and regulatory violations. We have drafted these considering the Whistleblowers Protection Act, 2014, the Companies Act, 2013, and best industry practices.

Applicability

These guidelines are relevant for all FACE members and individuals associated, including employees, directors, auditors, consultants, contractors, vendors, and partners.

Definitions

- Audit Committee: Oversight body responsible for reviewing reports and ensuring policy enforcement.
- Investigator: Authorised personnel (internal or external) appointed to conduct the investigation.
- Protected Disclosure: Means any good faith communication made by an employee or any other person, regarding alleged misconduct, violation of laws, unethical behaviour, or abuse of authority within the organisation, which is reported to the designated authority and is eligible for protection against retaliation under the applicable whistleblower policy².
- Subject: The individual or entity against whom a complaint is made.
- Whistleblower: Any person reporting a concern in good faith.

Policy

1. Adopt a formal Whistleblower Policy approved by the Board.
2. The policy must cover, but not be limited to, actual or suspected incidents of:
 - Financial misconduct
 - Corruption and bribery
 - Regulatory non-compliance
 - Harassment or abuse of authority
 - Data privacy breaches
 - Conflict of interest
 - Violations of environmental, social, or diversity standards
 - Violations of the company's insider trading policy or the code of conduct/ethics policy
3. Ensure the policy is accessible and known to all employees and stakeholders through means such as the company intranet/ website/ premises/onboarding process.

² Governed under Whistleblower Act. 2014

4. Explicit assurance to the whistleblower vis-à-vis a) confidentiality of identity, b) continuity of association with the company, and c) safeguards against victimisation and discrimination and action for disclosures in good faith, including remedial actions and an escalation mechanism to address the complainant's grievances against harm and retaliation.
5. Review and update the policy every year with approval from the Board and communicate to all stakeholders.

Awareness and training

6. Prominently display the Whistleblower Policy in office spaces by way of posters with the reporting contact number, email, and committee member details for easy access.
7. Make the policy accessible on internal platforms.
8. Include a briefing on the Whistleblower policy in the new employee induction/ orientation for onboarding.
9. Conduct annual training for employees and investigators on the policy and procedures.

Reporting

Responsibilities of the company

10. Companies should offer at least two secure, confidential reporting channels, preferably in the format below:

Sl no	Ways of reporting	Reporting Authority/ personnel	Email ID	Contact
1	Declaring own identity	Company-appointed person contact	whistleblower@company.com	xxxxx-xxxxx
2	Anonymous	Through a form/platform	NA	NA

11. Companies must acknowledge receipt of complaints within 7 working days.
12. Maintain strict confidentiality of whistleblower identity.
13. Enable anonymous reporting if backed by credible evidence.

Responsibilities of the complainant

14. All the protected disclosures should be reported using any one of the above reporting channels, by the Complainant as soon as possible, preferably not later than 30 days after the concern arises or the Complainant becomes aware of the same.
15. Avoid anonymity, if possible, but have the right to anonymity.
16. Any individual making a malicious or knowingly false allegation is subject to disciplinary action, but has the right to remedial action and escalation.

Investigation process

17. Designate an Internal Whistleblower Committee.
18. Maintain a conflict-of-interest declaration by investigators and a process to recuse investigators from cases where there is potential or actual conflict of interest.
19. Engage independent third-party professionals for sensitive or high-value allegations, as necessary.

20. Conduct the inquiry/investigation fairly, providing an adequate opportunity for a hearing to the affected party.
21. All protected disclosures under the Policy will be recorded and thoroughly investigated by such internal teams as are best suited to conduct the investigation.
22. Include a "safe harbour"³ clause to protect good-faith reporters even if their report cannot be substantiated.
23. The investigation shall normally be completed within 90 days of the receipt of the Protected Disclosure; however, the said period is extendable by the Audit Committee, wherever required, subject to a maximum of permissible extension of another 90 days. The Board shall be informed of all such extensions.
24. In case the concern does not fall within the ambit of this Policy, the whistleblower shall be informed that the problem is being forwarded to the appropriate department/ authority for further action, as deemed necessary.
25. Responsibilities of the investigation team:
 - Conduct the enquiry in a fair, unbiased manner
 - Ensure complete fact-finding
 - Maintain strict confidentiality
 - Decide on the outcome of the investigation, whether an improper practice has been committed and if so, by whom
 - Recommend an appropriate course of action - suggested disciplinary action, including dismissal, and preventive measures
 - Document all critical records of deliberations/investigations and submit the final report
 - Provide information and documents to the audit committee regarding complaints

Decision and reporting

26. If an investigation leads to a conclusion that an improper or unethical act has been committed, the investigation team shall make recommendations for appropriate disciplinary or corrective action as it may deem fit. Any disciplinary or corrective action initiated against the Subject, as a result of the investigation pursuant to this Policy, shall adhere to the applicable disciplinary procedures established by the Company.
27. Maintain and retain⁴ a centralised and secure logbook or database for:
 - Complaints received
 - Action taken
 - Closure status
28. Submit quarterly reports to the Audit Committee and include high-level summaries in the Board report, if applicable and necessary.
29. Submit quarterly reports on whistleblower incidents to FACE in the position of SRO-FinTech every quarter as per the format and frequency required by the SRO-FT. FACE will report to the RBI on a quarterly or immediate basis, depending on the severity of the issue.

³ A Safe Harbor Clause in a whistleblower policy is a legal and procedural protection that ensures individuals who report misconduct in good faith are not penalized or retaliated against, even if the allegations are later found to be unsubstantiated or incorrect.

⁴ Retention period as per company privacy policy.



Fintech Association for Consumer Empowerment (FACE) is an RBI-recognised Self-regulatory Organisation in the FinTech sector (SRO-FT). FinTech companies of all kinds come together at FACE to build an industry that enables borrower-centric financial services that are safe, suitable, and transparent, delivering positive impacts on society and the economy.