

# WHISTLE BLOWER & VIGIL MECHANISM POLICY

*(Pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 17 of SEBI  
(LODR) Regulations, 2015 and DPE Guidelines)*



## U. P. POWER CORPORATION LIMITED

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**(Additional Charge)**

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## 1. Preface

- a) The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. In alignment with these principles, the Company actively works against corruption in all its forms, including the solicitation and acceptance of illegal gratification and the misuse of official positions for personal or others' pecuniary gain.

*“We encourage our employees, customers, suppliers and other stakeholders to raise concerns or make disclosures when they become aware of any actual or potential violation of our Code, policies or law. We also encourage reporting of any event (actual or potential) of misconduct that is not reflective of our values and principles.*

- (b) Section 177(9) of the Companies Act, 2013 (the Act) mandates the following classes of companies to constitute a vigil mechanism –
- Every listed company;
  - Every other company which accepts deposits from the public;
  - Every company which has borrowed money from banks and public financial institutions in excess of ₹ 50 crore.
- (c) This Whistleblower Policy (“the Policy”) and Vigil Mechanism as part of this Policy has been formulated with a view to provide a mechanism for directors, employees as well as other stakeholders of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Company.
- (d) The Audit Committee/Board of Directors shall review the functioning of the Whistle blower mechanism, at regular intervals.
- (e) The Whistle blower Policy & Vigil Mechanism will be displayed on the website of the Company

Further, Regulation 4(2)(d)(iv) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), inter alia, provides for the listed entity to devise an effective Whistleblower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

## 2. Scope

The Scope of this Policy shall be limited to only those Matters/Complaints/Concerns for which no separate Mechanism/Remedy is already provided in any other Laws, Rules, Regulations, Orders, Guidelines as applicable to the Company from time to time.

## 3. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Code.

- a) **“UPPCL” or Company** means U. P. Power Corporation Limited.
- b) **“Competent Authority”** means the Chairman of Audit Committee and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this policy from time to time.  
In case of conflict of interest i.e. Chairman of Audit Committee being the subject person then in that case Competent Authority will be the Chairman of UPPCL *and will include any one Member of the Audit Committee nominated by the Chairman of UPPCL.*
- c) **“Audit Committee”** means the Audit Committee of the Board constituted by the Board of Directors of UPPCL in accordance with Regulation 18 of SEBI (LODR) Regulations, 2015.
- d) **“Employee”** means every employee of the Company (whether working in India or abroad), including contractual employees and the directors in the employment of the Company.
- e) **“Investigators”** mean those persons *within or outside the Company* authorized, appointed, consulted or approached by the Competent Authority in connection with conducting investigation into a protected disclosure and include the Auditors of UPPCL. *A panel of investigators comprising of experts in the field of finance, technical, administration, audit etc. shall be constituted separately and the fee payable towards investigations shall be separately fixed keeping in view the level and experience of the experts.*
- f) **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may be treated as evidence of unethical or “Improper Activity”.

g) **"Screening Committee"** means a committee constituted under Whistle Blower Policy of UPPCL, comprising, the Chairman of Audit Committee or in his absence, a member of the Audit Committee as nominated by the Chairman of Audit Committee. *In case of conflict of interest i.e. Chairman of Audit Committee being the subject person then in that case screening committee will be comprising of Chairman of UPPCL and will include any one Member of the Audit Committee nominated by the Chairman of UPPCL.*

g) **"Subject"** means an employee - officer / staff against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

h) **"Whistle Blower"** means an Employee making a Protected Disclosure under this policy.

#### 4. **Eligibility**

All employees of UPPCL are eligible to make "Protected Disclosures".

#### 5. **Guiding Principles**

- a) Protected disclosures shall be concluded in a time bound manner ***not exceeding 90 days or the extended period as approved by the Competent Authority with reasons to be recorded.***
- b) Complete confidentiality of the Whistle Blower will be maintained.
- c) The Whistle Blower and/or the person(s) processing the Protected Disclosure will not be subjected to victimization.
- d) Evidence of the Protected Disclosure will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.
- e) "Subject" of the Protected Disclosure i.e employee against or in relation to whom a protected disclosure has been made, will be provided an opportunity of being heard.
- f) The Whistle Blower should bring to attention of the Competent Authority at the earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.
- g) The Whistle Blower shall co-operate with investigating authorities, maintaining full confidentiality.

### **Procedures – Essentials and Handling of Protected Disclosure:**

- a) The text of the complaint should be carefully drafted so as not to give any details or clue as to his/her identity. However, the details of complaint should be specific and verifiable. The Protected Disclosure/Complaint should be attached to a letter bearing the identity of the whistle blower/complainant i.e. his/her Name, employee Number and Location, and should be inserted in an envelope which should be **closed/secured/sealed**. The envelope thus secured/sealed should be addressed to the Competent Authority and should be super scribed “**Protected Disclosure**”.
- b) Protected Disclosure should either be typed or written in legible hand writing in English or Hindi and should provide a clear understanding of the Improper Activity involved or issue / concern raised. The reporting should be factual and not speculative in nature.
- c) It must contain as much relevant information as possible to allow for preliminary review and proper assessment.
- d) Anonymous or pseudonymous Protected Disclosure shall not be entertained.
- e) The contact details of the Competent Authority for addressing and sending the Protected Disclosure is as follows:

**Chairman, Audit Committee  
U. P. POWER CORPORATION LIMITED  
14, Ashok Marg, Shakti Bhawan  
Hazratganj, Lucknow- 226001**

- f) The contact details of the Competent Authority for addressing and sending the Protected Disclosure in case of conflict of interest i.e. Chairman of Audit Committee being the subject person is as follows: -

**Chairman, UPPCL,  
U. P. POWER CORPORATION LIMITED  
14, Ashok Marg, Shakti Bhawan  
Hazratganj, Lucknow- 226001**

- f) The Competent Authority shall mark the envelope containing the Protected Disclosure to a dedicated Confidential Section, which shall maintain a record thereof and shall submit the same to the Screening Committee.

- g) The Screening Committee shall weed out frivolous complaints and the Protected Disclosure(s) which require further investigation shall be forwarded to the investigator(s) nominated for this purpose, through the Confidential Section.
- h) The Screening Committee shall endeavour to meet as early as possible, preferably ***not exceeding 30 days*** of receipt of a Protected Disclosure *unless it is of urgent nature requiring immediate action*.

**6. Protections:**

- a) Genuine Whistle Blowers will be accorded protection from any kind of harassment/unfair treatment/victimization. However, motivated and frivolous disclosures shall be discouraged.
- b) If the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, arrangements will be made for the Whistle Blower to receive advice about the procedure. Expenses incurred by the Whistle Blower in connection with the above, towards travel etc. will be reimbursed as per normal entitlements.
- c) A Whistle Blower may report any violation of clause (b) above to the Competent Authority who shall investigate into the same and take corrective action as may be required.
- d) Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

**7. Investigation and Role of Investigators:**

**Investigation:**

- Investigations shall be launched if the Screening Committee is satisfied after preliminary review that :
  - (a) Report from the Whistle Blower is ascertained confidentially for authenticity of the complainant i.e. it is not a pseudonymous complaint.
  - (b) The alleged act constitutes an improper or unethical activity or conduct, and
  - (c) The allegation is supported by information and specific enough to be investigated or in cases where the allegation is not supported by specific information; it is felt that the concerned matter deserves investigation.

- The decision taken by the Screening Committee to conduct an investigation is by itself not to be construed as an accusation and is to be treated as a neutral fact-finding process.
- The identity of the Subject(s) and the Whistle Blower will be kept confidential.
- Subject(s) will normally be informed of the allegations at the commencement of a formal investigation and will be given opportunities for providing their inputs during the investigation.
- Subject(s) shall have a duty to co-operate with the Investigator(s) during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses 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 an 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.
- The investigation shall be completed normally within 45 days of the date of receipt of the protected disclosure or such extended period as the Competent Authority may permit for reasons to be recorded.
- Subject(s) have a right to be informed of the outcome of the investigation.

**Role of Investigator(s):**

- Investigator(s) are required to conduct a process towards fact finding and analysis. Investigator(s) shall derive their authority from Competent Authority when acting within the course and scope of their investigation. The Investigator(s) shall submit his / their report to the Competent Authority.
- All Investigators shall perform their role in an independent and unbiased manner. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour and observance of professional standards.

**8. Action**

- If the Competent Authority is of the opinion that the investigation discloses the existence of improper activity which is an offence punishable in law, the

Competent Authority may direct the concerned authority to take disciplinary action under applicable statutory.

- The Competent Authority shall take such other remedial action as deemed fit to remedy the improper activity mentioned in the protected disclosure and /or to prevent the re-occurrence of such improper activity.
- If the investigation discloses that no further action on the protected disclosure is warranted, the report shall be filed in the Confidential Section.

**9. Reporting and Review**

A quarterly report of the *number of* protected disclosures, received, investigation conducted and action taken shall be submitted to the Audit Committee for review.

**10. Amendments**

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 directors, employees and stakeholders unless the same is notified to the Directors and Employees in writing and displayed on the website.

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