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KARNATAKA POWER TRANSMISSION CORPORATION LIMITED

Corporate Identity Number (CIN) : U40109KA1999SGC025521

Regd. Office of the Company : Corporate Office, Kaveri Bhavan, K.G.Road, Bengaluru-560009.

No: KPTCL/CS/B37/1590/2019-20/cy8-2

Date : 15 MAY 2020

NOTIFICATION

**Subject : Notifying KPTCL's Whistle Blower Policy/
Vigil Mechanism.**

**Ref: Proceedings of the 119th Meeting Meeting of
Board of Directors of KPTCL held on 11th March
2020 vis-à-vis Subject No.119/27.**

In terms of Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, certain class of Companies are required to establish Vigil Mechanism to provide a channel to the employees and Directors to report genuine concerns about misconduct, mismanagement or any kind of violation of Laws, Rules or Regulations in the Company, in a prescribed method.

Considering the applicability of Section 177(9) of the Companies Act, Board of Directors of KPTCL at its 119th Meeting held on 11th March 2020 have accorded approval to "KPTCL's Whistle Blower /Vigil Mechanism Policy 2020".

Accordingly, "KPTCL's Whistle Blower /Vigil Mechanism Policy 2020" is herewith published for information and needful of the concerned.

All protected Disclosures under this policy should be addressed to the Nodal officer at the following address:

**The Director (Admn. & HR),
Corporate Office, KPTCL,
Kaveri Bhavan, K.G.Road, Bengaluru – 560009.**

By order,

Director (Admn. & HR),
KPTCL,

Copy to:

The SEE (IT & MIS), Corporate Office, Kaveri Bhavan, K.G.Road, Bengaluru for publishing the Notification in the website of kptcl

Copy submitted for kind information to:

- (1) Additional Chief Secretary to Government, Energy Department, Vikasa Soudha, Bengaluru-560 001.
- (2) Managing Director, KPTCL, Kaveri Bhavan, Bengaluru.

Copy for information to:

- (1) Director (Finance), KPTCL, Kaveri Bhavan, Bengaluru.
- (2) Director (Transmission), KPTCL, Kaveri Bhavan, Bengaluru.

Copy to:

1. All Financial Advisers, KPTCL, Kaveri Bhavan, Bengaluru.
2. All Chief Engineers Electy, KPTCL. Kaveri Bhavan, Bengaluru
3. Company Secretary, KPTCL, Kaveri Bhavan, Bengaluru.
4. All Superintending Engineers/Controllers, KPTCL.

Copy to:

1. Sri.T.R.Ramakrishnaiah, Director KPTCL & President, KPTC Employees' Union, Bengaluru.
2. Sri.T.M.Shivaprakash, Director KPTCL & President, KEB Engineers' Association, Bengaluru



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Regd. Office of the Company : Corporate Office, Kaveri Bhavan, K.G.Road, Bengaluru-560009.

Whistle Blower Policy/ Vigil Mechanism – 2020 Date : 15 MAY 2020

(As approved by the Board of Directors at the 119th meeting held on 11th March 2020)

1. PREFACE

1.1 As per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the following companies are mandatorily required to establish Vigil Mechanism:

- (i) All the listed Companies ;
- (ii) Companies which accept deposits from the public;
- (iii) Companies which have borrowed money from Banks and public financial institutions in excess of fifty crore rupees

1.2 To comply with the provisions of Companies Act, 2013 and to ensure good corporate governance, to provide a channel to the employees to report genuine concerns about misconduct, mismanagement or any kind of violation of Laws, Rules or Regulations in the Company, in a prescribed method.

1.3 This Policy shall also ensure the confidentiality of the complainant's identity, complaints and disclosures as well as the identity of the person against whom the complaint has been raised and investigation is being carried out by the screening committee, following the basic principles of natural justice.

2. POLICY

In compliance with the above-mentioned statutory requirements, Karnataka Power Transmission Corporation Limited, has established the "Whistle Blower Policy/ Vigil Mechanism-2020" in order to provide a framework for responsible and secure whistle blowing / vigil mechanism.

3. POLICY OBJECTIVES

3.1 The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct for Board Members and Senior Management Personnel.

3.2 The Company is committed to adhere to the highest standards of ethical, moral and legal conduct in business operations and in order to maintain these standards, the Company encourages its Directors and Employees who have genuine concerns about suspected misconduct of anyone concerned with the Company to come forward and express their concerns without fear of punishment/ victimization or unfair treatment.

Ranya.K
Company Secretary
KPTCL

3.3 The mechanism provides for adequate safeguards against victimization of Directors and Employees to avail of the mechanism and also provides for direct access to the Chairman of Audit Committee in exceptional cases.

3.4 This neither releases the Directors or Employees from their duty of confidentiality in the course of their work nor can it be used as an option for raising malicious or unfounded allegations on personal grounds.

4. DEFINITIONS

4.1 **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI Listing Regulations and the DPE Guidelines. If the Audit Committee of the Company is not in place due to any reason, then the Managing Director (MD) will nominate one of the Non-Executive Directors to discharge the functions of the Chairman of Audit Committee, under this policy.

4.2 **“Code”** means the KEB Employees (Classification, Disciplinary Control and Appeal) Regulations, 1987.

4.3 **“Company”** means the Karnataka Power Transmission Corporation Limited.

4.4 **“Screening committee”** shall mean

(1) Managing Director, KPTCL – Chairman

(2) Director (Finance), KPTCL and – Member

(3) Director (Admn. and HR), KPTCL – Member

or any Functional Director nominated in this behalf by Managing Director to receive and deal with complaints under this policy from time to time.

4.5 **“Employee”** means every person in the employment of the Company (whether working in India or abroad), including the Directors on the Board of the Company.

4.6 **“Exceptional case”** means a Protected Disclosure concerning the Director(s) of the Company except the Chairman of Audit Committee.

4.7 **“Investigator(s)”** mean those person(s) authorised, appointed, consulted or approached by the Screening committee/ the Chairman of Audit Committee in connection with conducting investigation into a Protected Disclosure/ complaint and includes the Officers of the Company and Auditors of the Company, external person(s) of eminence and the Police or such other law enforcement authorities, as may be nominated.

4.8 **“Designated Authority/Nodal Officer”** means the Director (Admn. and HR), KPTCL.

Ramya.K
Company Secretary
KPTCL *R*

- 4.9 "Protected Disclosure or Complaint" means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity, which would be factual and not speculative and should contain as much specific information as possible so that the nature and extent of the concern be assessed appropriately. No personal grievance shall be covered under Protected Disclosure or Complaint under this policy.
- 4.10 "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.
- 4.11 "Whistle Blower" means a Director or Employee who makes a Protected Disclosure under this Policy and also referred in this policy as a Whistle Blower or Complainant.

5. SCOPE

- 5.1 The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or detectors of facts, nor they would determine the appropriate corrective or remedial action that may be warranted in a given case.
- 5.2 Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as authorized by the Screening committee, the Chairman of Audit Committee or the Investigators.
- 5.3 Protected Disclosure will be appropriately dealt with by the Screening committee or the Chairman of Audit Committee, as the case may be.

6. ELIGIBILITY

All Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

7. PROCEDURE

- 7.1 All Protected Disclosures should be addressed only to the Nodal Officer at the following address—
The Director (Admn. & HR),
Corporate Office, KPTCL,
Kaveri Bhavan, Bengaluru – 560 009.
- 7.2 All Protected Disclosures should be reported in writing by the Whistle Blower as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English or local language as applicable.

Ranya K
Company Secretary
KPTCL

- 7.3 The Protected Disclosure should be submitted under a covering letter signed by the Whistle Blower in a closed and secured envelope and should be super-scribed as "**Protected Disclosure under the Whistle Blower policy**". The Nodal Officer shall refer the protected disclosures to the Screening committee or the Chairman of Audit Committee, duly concealing the identity of the whistle blower, after confirming the genuineness of the disclosure/ complaint. If a complaint is not super-scribed or not closed and secured as mentioned above, it will be dealt with as if a normal disclosure and the same would not deserve the privileges otherwise available for Protected Disclosures under this Policy.
- 7.4 In order to protect the identity of the complainant, acknowledgement will not be issued to the Whistle Blowers.
- 7.5 Anonymous / Pseudonymous complaint shall not be entertained.
- 7.6 The Whistle Blower should give his name, address, contact number(s) and e-mail address in the beginning or at the end of complaint or in an attached letter so that the same can be concealed, while processing further. The identity of a Subject and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 7.7 Complaint concerning Nodal Officer shall be addressed to the Screening committee.

8. NODAL OFFICER

- 8.1 Nodal Officer shall be responsible to receive the Complaint from the Whistle Blowers and make necessary entry in the Register and then submit the same to the Screening committee or, as the case may be, the Chairman of Audit Committee for necessary actions in terms of this Policy.
- 8.2 Further, the Nodal Officer shall convey the decisions/ directions of the Screening committee or, as the case may be, the Chairman of Audit Committee, to all the person(s) concerned with the Protected Disclosures, including the Whistle Blower, Members of Screening Committee, Investigator(s) and Subject.
- 8.3 In addition, the Nodal Officer shall place necessary agenda item before the Audit Committee of the Board as duly approved by Screening Committee. The Company Secretary to assist Nodal Officer in all his / her responsibility.

9. INVESTIGATION

- 9.1 The Screening committee or the Chairman of Audit Committee, (through Nodal Officer), as the case may be, shall make discreet inquiry to ascertain whether there is any basis for proceeding further to investigate the complaint. If the Screening Committee is of the opinion that there is no sufficient ground for proceeding further on the complaint, it shall recommend closure of the matter.
- 9.2 Investigations will be commenced only after a preliminary review by the Screening committee or the Chairman of Audit Committee which establishes that:
- i) the alleged act constitutes an improper or unethical activity or conduct, and
 - ii) the allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information and still felt that the subject matter would be worthy of investigation.

Danya K
Company Secretary
KPTCL *Bel*

- 9.3 The Screening committee shall make the recommendations within Ninety (90) working days from the date of receipt of the complaint. In the absence of any member(s), the available members of the Committee, being not less than two (2), shall make the recommendations.
- 9.4 If the Screening committee, as a result of the discreet inquiry or otherwise, is of the opinion that the complaint requires further investigation, it will make a recommendation to forward the complaint to the Investigator(s) for further investigation. On receipt of the recommendation, the Screening committee or the Chairman of Audit Committee as the case may be, shall forward the complaint to the Investigator(s) for further investigation and report.
- 9.5 In case of any complaint, Screening committee are themselves conflicted, Investigator(s) shall derive their authority with the concurrence of the Chairman of Audit Committee while proceeding with his/ her investigation.
- 9.6 Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity and professional standards.
- 9.7 The Screening committee or the Chairman of Audit Committee, if deems fit, may call for further information or particulars from the complainant/ whistle blower and at their discretion, involve any other/ additional Officer of the Company and/ or Committee and/ or an outside agency for the purpose of investigation.
- 9.8 Subject will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing his/ her inputs during the investigation.
- 9.9 Subject shall have a duty to co-operate with the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- 9.10 Subject shall have the right to consult with a person or persons of his choice, other than the Investigators and/or members of Screening Committee/ Chairman of Audit Committee/ Whistle Blower concerned. Subject may engage counsel at his/her own cost to represent him/ her in the investigation proceedings.
- 9.11 Subject shall not interfere with the investigation in whatsoever manner. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subject.
- 9.12 Unless there are compelling reasons not to do so, Subject shall be given an opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is reasonable evidence in support of the allegation.

Ramya.K
Company Secretary
KPTCL *CS*

- 9.13 Subject shall have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would not be in the best interest of the Subject.
- 9.14 The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.
- 9.15 The investigation shall normally be completed within 120 days and is extendable by such period as the Screening committee deems fit.
- 9.16 Any member of the Board or other officer having any conflict of interest with the matter shall disclose his/ her concern/ interest forthwith and shall not deal with the matter.
- 9.17 Screening Committee will submit the recommendation to the Chairman of the Audit Committee and the same will be placed in the Audit Committee meeting for its decision thereon.

10. DECISION

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Screening committee or, as the case may be, the Chairman of Audit Committee shall recommend to the Audit Committee for review and forwarding, if felt necessary, to Competent Disciplinary Authority (CDA) to take disciplinary or corrective action as it may deem fit.

11. REPORTING

- 11.1 An half yearly report with number of complaints received under the Policy and the status thereon shall be placed before the Audit Committee by the Nodal Officer.
- 11.2 A complainant who makes false allegations of unethical and improper practices or about alleged wrongful conduct of the Subject shall be liable to appropriate disciplinary action in accordance with the KEB Employees (Classification, Disciplinary Control and Appeal) Regulations, 1987 or applicable Standing Orders of the Company.

12. CONFIDENTIALITY

The Whistle Blower, Subject, Investigator(s), Nodal Officer, the Chairman of Audit Committee, Screening committee and others connected with a Protected Disclosure shall maintain confidentiality of all matters under this Policy, and they shall disclose/ discuss only to the extent or with those person(s) as required under this policy for completing the process of investigation and keep the papers and other materials in safe custody.

Ranjana K
Company Secretary
KPTCL *gp*

13. PROTECTION

- 13.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his / her having reported a Protected Disclosure under this policy. Adequate safeguards against victimisation of complainants shall be provided. The Company, as a policy, shall ensure that no 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/ her 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.
- 13.2 A Whistle Blower may report any violation of the above clause to the Chairman of Audit Committee, who shall investigate into the same and recommend suitable action to the executive management.
- 13.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 13.4 Whistle Blower should not enter into any correspondence with the Screening committee/ the Chairman of Audit Committee in their own interest. If any further clarification is required, the Whistle Blower will be contacted.

14. DISQUALIFICATIONS

- 14.1 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.
- 14.2 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.
- 14.3 Whistle Blower, who make any Protected Disclosure, which have been subsequently found to be *mala fide* or malicious or Whistle Blowers who make Protected Disclosure which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy and also shall be liable to be proceeded under the KEB Employees (Classification, Disciplinary Control and Appeal) Regulations, 1987 or applicable Standing Orders of the Company.

Ranya K
Company Secretary
KPTCL *LS*

15. COMMUNICATION

The Directors and the Employees shall be construed to have been given a copy of this Policy by placing the same on the company website www.kptcl.com.

16. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the reports of Investigation relating thereto, shall be retained by the Nodal Officer for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

17. AUTHORITY

This Policy has duly been approved by the Board of Directors at the 119th meeting held on 11/03/2020.

18. AMENDMENT

Amendment(s), if any required, shall be made as under:

- (i) Amendment required due to changes/ modifications on account of change in Law shall be appropriately factored in the Policy with the approval of the Managing Director subject to ratification by the Board of Directors of the Company at the ensuing meeting;
- (ii) Amendment proposal not covered as per clause (i) above, shall be subject to approval of the Board of Directors of the Company.

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Ramya.K
Company Secretary
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