



**Rural Electrification Corporation Limited**  
**Corporate Office: New Delhi**  
**Company Secretary Division**

No. SEC-1/(218)/2007/1146

29<sup>th</sup> May, 2008

**OFFICE ORDER**

**Sub: Amendment to Fraud Policy**

The Board of Directors have in their 314<sup>th</sup> Meeting held on 17<sup>th</sup> April 2007 approved a Fraud Policy which was circulated and notified under the Circular No.SEC-4/1(314)/2007/253 dated 23<sup>rd</sup> May 2007.

Following amendments to the said Fraud Policy have been made and approved by the Competent Authority.

Sl.No	Heading	Existing Provision	Amended provisions
1.	<b>Title of the Policy</b>	<b>“ Fraud Policy of REC”</b>	<b>“ Policy for Prevention of Frauds in REC”</b>
2.	<b>Reporting of Fraud</b>	<b>i. Any employee, representative of vendors, suppliers, contractors, lenders, borrowers, consultants, service providers or any other agency(ies) doing any type of business with REC as soon as he/she comes to know of any fraud or suspected fraud or any other fraudulent activity must report such incident(s). Such reporting shall be made to the designated Nodal Officer(s) nominated in every project/zone/Corporate Office. At the Corporate Office, HOD (Internal Audit) shall be the nodal officer. If however, there is shortage of time such report should be made to the immediate HOD whose duty shall be to ensure that input received is immediately communicated to the Nodal Officer.</b>	<b>i Any employee, representative of vendors, suppliers, contractors, lenders, borrowers, consultants, service providers or any other agency(ies) doing any type of business with REC as soon as he/she comes to know of any fraud or suspected fraud or any other fraudulent activity must report such incident(s). Such reporting shall be made to the designated Nodal Officer(s) nominated in every project/zone/Corporate Office. At the Corporate Office, HOD of every Division shall be designated as the Nodal Officer for the purpose of this Policy.</b>  <b>‘HOD’ is the Executive Director who heads the Department/Division or the General Manager where there is no Executive Director.</b>

		<p>The reporting of the fraud normally should be in writing. In case the reporter is not willing to furnish a written statement of fraud but is in a position to give sequential and specific transaction of fraud/suspected fraud, then officer receiving the information/Nodal Officer should record such details in writing as narrated by the reporter and also maintain the details about the identify of the official/employee/other person reporting such incident. Reports can be made in confidence and the person to whom the fraud or suspected fraud has been reported must maintain the confidentiality with respect to the reporter and such matter should under no circumstances be discussed with any unauthorised person.</p>	<p><b>However, in case the HOD himself/herself is suspected of being involved in the alleged fraud, the matter shall be reported to the next higher authority.</b></p> <p><b>The Co-ordination and supervision of all the Nodal Officers under the Fraud Policy shall be done by ED (IA).</b></p> <p>The reporting of the fraud normally should be in writing. In case the reporter is not willing to furnish a written statement of fraud but is in a position to give sequential and specific transaction of fraud/suspected fraud, then officer receiving the information/Nodal Officer should record such details in writing as narrated by the reporter and also maintain the details about the identity of the official/employee/other person reporting such incident. Reports can be made in confidence and the person to whom the fraud or suspected fraud has been reported must maintain the confidentiality with respect to the reporter and such matter should under no circumstances be discussed with any unauthorised person.</p>
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This issues with the approval of competent authority.

**Sd/-**  
**(B.R.Raghunandan)**  
**GM (Law) & CS**