



Anti-Fraud Policy

Of

UTI Retirement Solutions Limited

[A wholly-owned subsidiary of UTI Asset Management Company Limited,

Incorporated under the Companies Act, 1956]

Version - I

(Approved in the Board Meeting held on 21st January, 2022)

ANTI-FRAUD POLICY

UTI Retirement Solutions Ltd. (UTI RSL) is operating within a comprehensive framework of internal controls formalized by well laid down policies, procedures & processes adopted by various functional departments. UTI RSL is also maintaining highest standards of ethics in all areas of its functioning.

Any instance of fraud may have adverse impact on the Company not only by way of financial loss but also by impairing the trust and confidence of investors/ general public. Therefore, all employees are expected to remain vigilant and report any suspicious activity/violation of laws/laid down procedure etc., to the respective Head of the Department as and when it comes to the notice, so that timely preventive / corrective measures can be undertaken.

In order to create awareness and accountability among employees, UTI RSL has formulated its comprehensive Anti-Fraud Policy for prevention/detection 'reporting /investigation of any fraud. The said Anti-Fraud Policy is being placed in the Board meeting of UTI RSL to be held on January 21, 2022.

UTI RSL's directives also require that the procedure / process of the Anti-Fraud Policy for prevention/ detection/ reporting/ investigation of any fraud are understood by all staff members.

Accordingly,

- a) All the staff members are required to submit the following:
 - (i) A declaration to be given under Anti-Fraud Policy for the year 2021-22 on having read and understood the Anti-Fraud Policy of UTI RSL and abiding by the said policy (**Appendix – I**) by February 28, 2022 and thereafter;
 - (ii) An annual declaration to be given every year under Anti-Fraud Policy on or before 10th of April every year (for the previous year).

- b) Additional Annual Declaration under Anti-Fraud Policy shall be given by the Heads of Departments / Functions as per **Appendix — II**. For the year 2021-22, Heads of Departments / Functions shall furnish the additional declaration by February 28, 2022 and thereafter annually on or before 10th of April every year.

DETAILS OF ANTI-FRAUD POLICY

Definition & Scope of Policy:

Fraud is a type of criminal activity, defined as: ‘deliberate deception’, ‘abuse of position’, ‘false representation’, ‘suppressing and/or concealment of material facts’ ‘prejudicing someone's rights’ “abusing responsibility, position of trust or a fiduciary relationship”, irrespective of which, the said action has caused financial loss or otherwise.

UTI RSL’s “Anti-Fraud Policy” applies to all types of irregularity or suspected irregularity involving its employees, stakeholders viz., vendors, contractors, external agencies, and their associates & employees having a business relationship with UTI RSL.

UTI RSL’s ‘Anti-Fraud Policy’ aims for:

1. Minimising the potential and actual incidence of fraud
2. Reducing possibilities of fraud in collusion with other entities/stake holders
3. Detecting incidents of fraud at the quickest possible time from its occurrence
4. Limiting the risk associated with subsequent losses
5. Improving the chance of recovery
6. Limiting adverse impact on reputation
7. Giving appropriate message to employees & stakeholders

Anti-Fraud Policy:

- 1) All employees to take note that an “Anti-Fraud Policy” is followed at UTI RSL which inter alia provides a system for prevention/detection/reporting/investigation of any fraud.
- 2) The “Anti-Fraud Policy” forbid all employees of UTI RSL from getting involved in any sort of fraudulent activities.
- 3) If any employee suspects/finds any fraudulent activity, matter to be reported to his/her Reporting Authority immediately.
- 4) Anonymous complaints if received without any supportive evidences and not easily verifiable, the decision for subsequent action or no action, is to be taken by CEO.
- 5) A copy of the “Anti-Fraud Policy” will be available on the UTI RSL’s website.
- 6) “Anti-Fraud Policy” applies to all activities of UTI RSL.
- 7) This policy includes taking measures for protecting UTI RSL/ UTI Pension Fund (UTI PF) from the risks arising out of any type of deceit or fraud categorised as:
 - (a) **Internal** - Employee Related i.e. frauds committed/suspected to have been committed/ allegedly committed by an employee of UTI RSL.
 - (b) **External** - Fraud committed/suspected to have been committed involving persons other than employees and this is further segregated to:
 - (i) **Investor Related Fraud**: Frauds committed in siphoning/attempting to siphon off investor's money by unethical practices/forgery etc.
 - (ii) **Intermediary Related Fraud**: Frauds committed by UTI RSL’s/ UTI PF’s Intermediaries viz., IFAs/Distributors against the Company, UTI PF and its Investors, Stakeholders etc.

(iii) **Vendor/Service Provider/External Agency Related Fraud:** Frauds / committed by external agencies connected/ associated with UTI RSL/ UTI PF, their employees and persons engaged, to provide services to UTI RSL/ UTI PF

- 8) This policy covers Internal Frauds, External Frauds and any third parties connected directly or indirectly in any manner to UTI RSL or UTI PF

Procedure & Process for Fraud Reporting & Investigation

- 1) Any irregularity on fraud if suspected or detected is to be reported immediately to CEO by the concerned Head of Department.
- 2) Initial information has to be reported within 24 hours of detection of the fraud (as per the prescribed Format — Exhibit 'A')
- 3) Department to carry out initial investigation and a report to be submitted to CEO. While submitting initial information, Department will also suggest preventive measures to be implemented to ensure non-reoccurrence of such frauds.
- 4) Further action if any, relating to investigation will be decided by CEO.
- 5) The investigation may be carried out by the nominated official / a group of official or specified department or an inter-department team as may be specifically nominated by CEO for the purpose.
- 6) Investigating Team will submit a detailed "Fraud Investigation Report" within 15 days from the date of the mandate. In the "Fraud Investigation Report, Investigative Team will include "Root Cause Analysis" and suggestions for strengthening safety / fraud prevention mechanism from risk mitigation point of view. In case, further time is required for submission of Report beyond 15 days, a special approval to be obtained from CEO supported with reasons for further time to submit the detailed report and indicating target date for submission of detailed "Fraud Investigation Report"
- 7) Decision on filing FIR will be considered by the respective Department /Office/UFC concerned and needful action will be taken.
- 8) Department concerned is responsible for recovery of financial loss involved in the fraud, irrespective of whether the fraud was internal or external.
- 9) Employees noticing any irregularity or violation of laid down processes & procedures, are to inform their Reporting Officials.
- 10) Concerned Department, on the basis of investigation report, will also take necessary steps for prevention of such incidents and modification of Risk Register.
- 11) Functionary Departments like Compliance, Accounts and Risk are to remain vigilant and look for any suspicious activity or frauds in UTI RSL's areas of functioning, so as to detect any irregularity at an early stage.
- 12) All Departments will submit a Quarterly Report of Fraud occurred during the quarter or NIL report as the case may be, as per format enclosed (Exhibit "B").
- 13) Based on the Quarterly Report submitted by Head of all the Departments at Corporate Office, Department of Risk will collate the information and submit the consolidated report or NIL report as the case may be to the Audit Committees of the Board of UTI RSL.

Role of HR Relating To Anti-Fraud Policy

- 1) Taking appropriate measures including awarding punishments and further steps with regard to system, procedure and control, for prevention of similar incidences in future.

Penalty, if any, imposed on any staff member, should be brought to the notice of all the employees so that it becomes deterrent for others.

- 2) Employees working as well as retired / resigned have to co-operate in any investigation of fraud and also appear as witness where summons are received by Courts of Law/CBI/Anti Corruption Bureau (ACB)/Law Enforcement Agencies' Income Tax authorities/Vigilance Dept (Central & States) etc.

Role of risk relating to Anti-Fraud Policy

- 1) Investigation of cases of frauds as may be mandated by CEO, on case to case basis.
- 2) Consolidated reporting of fraud cases to Audit Committee of Board & Board of UTI RSL.
- 3) Co-ordination with law enforcement agencies, wherever needed.

Fraud Prevention – Identifying Potential Areas & Due Diligence Thereof

- a) All employees of UTI RSL (full time, part time, temporary), are expected and responsible to ensure that no fraudulent act is committed in their areas of responsibility and control.
- b) Line Managers are primarily responsible for prevention of frauds as well as detection of frauds at the early stage itself. As soon as it is detected, they should report to their Reporting Official as per procedure. The Reporting Officer has to further investigate (probe) & come to conclusion whether this is a fraud or suspicion or error and put up to the Head of their Department.
- c) All officers/employees to share the responsibility of prevention and detection of fraud and for implementation of “Anti-Fraud Policy”.
- d) It is the responsibilities of Head of Departments/functional & Channel Heads to ensure that mechanisms are in place to:
 - i. **Identify** areas where improprieties might occur and necessary preventive mechanism are placed.
 - ii. **Familiarize & educate** employees with types of improprieties that might occur in their areas & possible precautions to counter them.
 - iii. **Promote** a culture whereby employees are encouraged to report fraud, suspected fraud and susceptible to frauds, without any fear of victimisation.
 - iv. **Promote** employee awareness with Company's ethical principles & values.
 - v. **Inform** every one working with under them about ‘Anti-Fraud Policy’.

Confidentiality & Information Sharing:

1. UTI RSL, at its own discretion, may inform/exchange/ share information / documents relating to the fraud with external entities viz. law enforcement agencies, regulators etc.
2. Investor transaction /Investment Details indented by Courts of Law/CBI/Anti Corruption Bureau (ACB)/ Law Enforcement Agencies/ Income Tax Authorities / Vigilance Department (Central & States) etc. are to be provided by the respective department directly at the earliest and Department of Risk will co-ordinate.
3. Employees/Officials, who are aware of or associated with investigation of fraud, are not to disclose/share/discuss the information/details, unless & otherwise permitted by law or by UTI RSL.

Exhibit 'A'

UTI Retirement Solutions Limited

Department/ UFC _____

REPORT ON FRAUD CASES

(To be submitted within 24 hours of detection of fraud)

1. Name of Branch/ Registrar/ Department/ Zonal Office/ Regional Office/ UFC/ Bank/ Custodian/ Contact Centre/ any other stake holder	
2. Department/ Section concerned at Corporate Office	
3. Name and Nature of Account (If Applicable)	
4. Name of the Investor/s, Folio Nos., CAN/ PAN No. (If applicable)	
5. Bank Name, Branch Name & Bank A/c No. (If applicable)	
6. Name & ARN No. (in case of IFA/ Distributor/ CA/ BDA)	
7. Nature of Fraud	
8. Total amount involved (Rs.) a) Date of Occurrence: b) Place of Occurrence: c) Date on which detected: d) Reasons for delay, in detecting the fraud {If difference between (a) and (c) above is more than 3 months}:	
9. Brief history/ Modus Operandi	
10. Fraud committed by a) Internal forces (staff) b) External forces (entirely outsiders) c) Vendor/ R&T staff/ Contact centre staff/ IFA/ BDA/ Constituent d) Internal & External forces (staff and outsiders)	
11. How detected?	
12. Steps taken by Branch/ department to improve the system	
13. The date(s) on which last internal inspection/ audit was conducted at the branch/ department during the period between the date of first occurrence of the fraud and its detection	
14. Whether any complaint lodged with police (Yes/No) If so, (i) a) Name of the Police Station:	

b) Date of reference: c) FIR No.: d) Present position of the case, (ii) If not, reasons thereof:	
15. Details of claim lodged with insurance co. (If applicable)	
16. Suggestion, if any for consideration	

CEO has also been kept informed of this incident by the department.

Signature of the Departmental Head/ Chief Manager / Regional Head / Zonal Head

Place:

Date:

To

- 1) Chief Risk Officer
- 2) Compliance Officer
- 3) Head - Retail Sales and ISM (if signed by CM/RH/ZH)

Exhibit 'B'

UTI Retirement Solutions Limited
Corporate Office

DEPARTMENT: _____

Report of Fraud detected during the Quarter ended

Sr. No.	Name– Dept/ UFC	Date/Period of Fraud Detection	Date of Reporting to Operating Risk	Amount Involved Rs.	Parties involved in fraud	Brief Particulars of Fraud	Action Taken/ being Taken

CEO has also been kept informed of this incident by the department.

Note:

- 1) This Quarterly Report is to be submitted to Department of Risk (DoR) by Heads of all the Departments at Corporate Office by 5th of the following month after end of each quarter.
- 2) Frauds reported by UFC/ROs/ZOs will be collated by Dept of Sales & Marketing or Dept of Operations depending upon whether the same were related to Sales or Service. The consolidated reports may be sent to DoR by Head — Retail or ISM, counter signed by G.P. & Head-Sales & Marketing.
- 3) In case of 'No frauds' during the quarter, a 'NIL' Report may be submitted.
- 4) If 'NIL' report is received from all departments, DoR will submit the "NIL" report to Audit Committee & Board of UTI RSL.

Signature of the Departmental Head/ Chief Manager / Regional Head / Zonal Head

Place:

Date:

To

- 1) Chief Risk Officer

Appendix – 1

[A] Annual Declaration under Anti-Fraud Policy (for all Employees):

- (1) *“I do hereby confirm that I have read and understood UTI RSL’s ‘Anti-Fraud Policy’.*
- (2) *I do hereby declare that I am abiding by the said policy continuously, while performing my duties and also ensuring compliance to the said policy, as may be applicable, in my functional areas.*
- (3) *I further declare that, I have neither been involved in any sort of fraudulent activities directly nor been involved indirectly.*
- (4) (i) *I am not aware of any fraudulent activities / or any attempt of fraud at UTI RSL Ltd.”*

(OR)

- (4) (ii) I have reported the fraud / suspected fraud noticed by me to my superiors.

Action Date:

Location:

Signature of Employee

NAME:

EMP CODE:

DESIGNATION:

[Note: Please tick 1,2,3 & either 4(i) OR (ii)]

Appendix – II

[B] Annual Additional Declaration under Anti-Fraud Policy for the Departmental / Functional Head

Department:

It is hereby confirmed that:

- (1) *Appropriate systems, process and controls have been put in practice to avoid the situations leading to frauds.*
- (2) *Periodical reviews of existing procedures are being carried out to ensure that areas of possible improprieties are identified and proper safeguards are in place against any sort of frauds or attempts of fraudulent acts.*
- (3) *Steps have been taken in the Department to familiarize & educate employees with areas vulnerable to probable improprieties that might occur.*
- (4) *Adequate measure have been taken to ensure that employees are encouraged to report fraud, suspected fraud and areas susceptible to frauds, without any fear of victimization.*
- (5)(i) *During the period, all cases of frauds/attempted frauds have been reported as per the Anti-Fraud Policy. All cases detected / reported have been brought to their logical conclusion and FIR has been filed wherever needed.*

(OR)

- (5)(ii) *No cases of frauds/suspected frauds have been detected in the Department*

Action Date:

Signature of Departmental Head

Location:

NAME:

EMP CODE:

DESIGNATION:

[Note: Please tick 1,2,3,4 & either 5(i) OR (ii)]