

SWARAJ ENGINES LIMITED

WHISTLE BLOWER POLICY

Background:

- The Vigil Mechanism as envisaged in the Companies Act 2013 and the Rules prescribed is implemented through the Whistle Blower Policy to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit committee.

Objective:

Provision of a Vigil Mechanism for reporting actual or potential violations w.r.t.:

- Accounting or auditing irregularities, misrepresentations Fraud, theft, bribery, and other corrupt business practices
- Antitrust or insider trading violations including reporting of instances of leak of unpublished price sensitive information.
- Significant environmental, safety, or product quality issues
- Illegal discrimination or harassment
- Actual or potential conflicts of interest
- Guidance on any national, regional, tribal, state or municipal legal requirements that apply to the Company or to our job.

Applicability of the Policy: To all Stakeholders.

WHISTLE-BLOWER POLICY

1. The Whistle-blower Policy ("Whistle-blower Policy" or "the Policy") came into effect on 29th April, 2014 and amendment to this will be effective from 20th April, 2021.

2. Preface

Swaraj Engines Limited ("the Company") is committed to conduct its business in accordance with applicable laws, rules, regulations, highest standards of business ethics, honesty, integrity and ethical conduct. Towards this end, the Company has now adopted two separate Codes of Conduct viz. one for directors and the other for employees (collectively referred to as "Codes" or "the Codes") and various Corporate Governance policies (collectively referred to as "CG Policies") which lay down the principles and standards that should govern the actions of the Company, its directors and employees. Any actual or potential violation of the Codes or CG Policies, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the directors or employees in pointing out such violations of the Codes or CG Policies cannot be undermined.

The vigil mechanism as envisaged in the Companies Act, 2013 and prescribed in the Companies Rules and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("the Listing Regulations") is implemented through the Whistle-blower Policy to provide a mechanism for directors and employees to report their genuine concerns. The Policy has been implemented to provide adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.

Accordingly, this Whistle-blower Policy provides a mechanism for directors, employees and all stakeholders of the Company to approach the Ethics Helpline Provider or the Chairperson of the Audit Committee to report events of unethical conduct. For any clarifications related to this Policy, you may reach out to the Chief Ethics Officer of the Company.

This Policy is in addition to the Codes and CG Policies and is to be read along with the existing Codes and CG Policies, which will continue to remain effective.

3. Definitions

The definitions of the key terms used in this Policy are given below. [Terms not defined herein below shall have the meaning assigned to them under the Codes/CG Policies.]

- a. "Audit Committee" means the committee constituted by the Board of Directors of the Company in accordance with section 177 of the Companies Act, 2013 and the Listing Regulations.
- b. "Codes" means the two separate Codes of Conduct viz. one for directors and the other for employees.
- c. "Corporate Governance Council" means a committee responsible for steering all activities related to governance in the Company. This would include reviewing and amending the Corporate Governance Policies to make them responsive to changing times.
- d. "Director" means a director appointed to the Board of the Company.
- e. "Ethics Helpline Provider" means an independent third party service provider appointed by the Company to receive Whistle-blower complaints.
- f. "Employee" means every employee of the Company (whether working in India or abroad), including the Directors in the whole-time employment of the Company.
- g. "Frivolous Complaint" means any complaint which is registered or attempted to be registered under this Policy with no evidence or on hearsay basis or with mala fide intentions against the Subject, arising out of false or bogus allegations.
- h. "Investigators" means those persons authorized, appointed, consulted or approached by the Vigil Committee, including the Auditors of the Company, to investigate the Protected Disclosure.
- i. "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence illegal or unethical behaviour, actual or suspected fraud or violation of the Company's Codes or CG Policies or any improper activity.
- j. "Subject" means a person against, or in relation to whom, a Protected Disclosure has been made or evidence gathered during the course of investigation.
- k. "Vigil Committee" means a committee set up for receiving the whistleblower complaints from the Ethics Helpline Provider and assisting in implementation and compliance of the Whistle-blower Policy.
- l. "Whistle-blower" means a director, employee, vendor, supplier or any other stakeholder making a Protected Disclosure under this Policy.

4. Scope

A Whistle-blower can make a Protected Disclosure related to the below mentioned issues under this Policy.

- a. Accounting or auditing irregularities or misrepresentations
- b. Fraud, theft, bribery and other corrupt business practices
- c. Antitrust or insider trading violations including reporting of instances of leak of unpublished price sensitive information.
- d. Significant environmental or safety issues
- e. Discrimination or harassment
- f. Actual or potential conflicts of interest
- g. Violation of applicable laws or regulations or of the Code of Conduct.

5. Eligibility

All Directors, Employees, vendors, suppliers or any other stakeholders of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters listed in section 4 "Scope".

6. Procedure

- a. All Protected Disclosures should be addressed to the Ethics Helpline Provider or the Chairperson of The Audit Committee. The Whistle-blower can make Protected Disclosure through phone and email.
- b. It is mandatory for the Whistle-blower to share his/her details with the Ethics Helpline Provider. The Ethics Helpline Provider will not share the identity with the Vigil Committee, if the Whistle-blower wishes not to disclose the identity to the Company. The Ethics Helpline Provider will share the details of the Whistle-blower with the Company only if the Protected Disclosure is categorised as a Frivolous Complaint after preliminary review or as an outcome of the investigation performed by the Vigil Committee.
- c. If a Protected Disclosure is received by any Executive(s) of the Company other than the Ethics Helpline Provider, the same should be forwarded to the Ethics Helpline Provider for further appropriate action.

Appropriate care must be taken to keep the identity of the Whistle-blower confidential within the Company. However, it should be shared with the Ethics Helpline Provider.

- d. After receiving the Protected Disclosure, the Ethics Helpline Provider will prepare an incident report, which will be shared with the Vigil Committee within 2 business days of receiving the Protected Disclosure.
- e. In case any member of the Vigil Committee or Corporate Governance Council has a perceived conflict of interest in the Protected Disclosure, the incident report will be shared with the Chairperson of the Audit Committee directly.
- f. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

- g. 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 finders of facts nor can they determine the appropriate corrective or remedial action that may be warranted in a given case.
- h. Whistle-blower(s) 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 requested by the Vigil Committee or Corporate Governance Council or Investigators.
- i. Protected Disclosure(s) pertaining to sexual harassment should be made in writing. These disclosures will be forwarded to the appropriate committee in the Company.

7. Disqualification

The Company reserves the right not to investigate in the following circumstances:

- a. Complaints pertaining to salary and performance evaluation or any other HR related issue which does not indicate violation of the Code of Conduct.
- b. Customer Complaints which can be dealt with under the alternate redressal mechanism established for that purpose.
- c. Complaints made without the following mandatory information.
 - i. Name, designation and location of the Subject(s)
 - ii. Detailed description of the incident
 - iii. Location and time/duration of the incident
 - iv. Specific evidences or source of evidences

8. Investigation

- a. A preliminary review will be performed for all Protected Disclosure(s) reported under this Policy. Based on the findings of the preliminary review, the decision for thorough investigation will be taken by the Vigil Committee. The Corporate Governance Council would oversee the investigations.
- b. If the Protected Disclosure is reported to the Chairperson of the Audit Committee, he/she may or may not consult with the Chairman of the Company. The Chairperson of the Audit Committee may consider appointing an external agency or the Statutory/Internal Auditor of the Company to investigate the matter, as he/she may deem fit. The Protected Disclosure can also be shared with the Vigil Committee for necessary action, depending on the severity of the Protected Disclosure. The Chairperson of the Audit Committee may also ask any employee of the company to carry out the investigation. In case of a Conflict of Interest vis a vis a member of the Vigil Committee, the Chairperson of the Audit Committee could exclude the conflicted member and ask the Vigil Committee / any of the above suggested individuals to investigate the matter.
- c. The Vigil Committee may at their discretion, consider involving any internal or external Investigators for the purpose of investigation, depending upon the circumstances or severity of the Protected Disclosure.
- d. The Vigil Committee's decision to conduct an investigation is by itself not an accusation and should be treated as a neutral fact-finding process. The outcome of the investigation may or may not conclude that an improper or unethical act was committed.

- e. The identity of a Subject and the Whistle-blower would be kept confidential to facilitate effective conduct of the investigation.
- f. Subjects shall have a duty to co-operate with the Vigil Committee or Corporate Governance Council or any of the Investigators during investigation to the extent that such co-operation will not compromise self- incrimination protections available under the applicable laws.
- g. Subjects have a responsibility not to interfere in the investigation. Evidence shall not be withheld, destroyed or tampered with and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- h. Subjects would be given the opportunity to respond to material findings of an investigation report. No representative of the Whistle-blower, whether legal or otherwise would be permitted to attend the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- i. Subjects and whistle-blowers have a right to be informed about the outcome of the investigation, if the allegation is proved.
- j. The investigation shall be completed normally within 90 calendar days of receipt of the Protected Disclosure.

9. Investigators

- a. Investigators are required to conduct investigation as a fact-finding process. Investigators shall derive their authority and access rights from the Vigil Committee when acting within the course and scope of their investigation.
- b. 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, thoroughness, ethical behavior and observance of legal and professional standards.
- c. Investigations would be launched only after a preliminary review by the Vigil Committee, which would establish 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, it is felt that the concerned matter is worthy of Management review.

10. Protection

- a. No unfair treatment would be meted out to a Whistle-blower(s) by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a Policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against the Whistle-blower(s). Complete protection would, therefore, be given to the Whistle-blower(s) against any unfair practice like retaliation,

threat or intimidation of termination or suspension of service, transfer, demotion, refusal of promotion etc., including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his duties or functions including making further Protected Disclosure. Subsequently, the Company would take steps to minimize difficulties, which the Whistleblower(s) may experience as a result of making the Protected Disclosure. The Whistle-blower will be provided protection during the course of investigation and protection will not be extended if the allegation is proved to be false or frivolous.

- b. While it would be ensured that Whistle-blower(s) are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection would warrant disciplinary action.
- c. Any other Director or Employee assisting in the said investigation shall also be protected to the same extent as the Whistle-blower(s).
- d. The identity of the Whistle-blower(s) shall be kept confidential unless otherwise required by law, in which case the Whistle-blower(s) would be informed accordingly.
- e. A Whistle-blower(s) may report any violation of the above clause to the Chairperson of the Audit Committee, who shall investigate the same and recommend suitable action to the management.
- f. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle-blower(s) knowing it to be false or bogus or with a mala fide intention.
- g. In case of repeated frivolous Protected Disclosures made by the Whistleblower, the Chairperson of the Audit Committee or the Company reserves the right to take appropriate disciplinary action against the Whistle-blower including reprimand or suspension.

11. Decision

If an investigation leads the Vigil Committee to conclude that an illegal or unethical behaviour, fraud or violation of the Company's Codes or CG Policies or any improper activity has taken place or has been committed, the Vigil Committee shall recommend to the management of the Company to take disciplinary or corrective action as they may deem fit.

12. Reporting

A report with number of complaints received under this Policy and their outcome shall be placed before the Vigil Committee / the Corporate Governance Council after which it will be placed before the Audit Committee on a half yearly or on case to case basis.

13. Retention of document

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

14. Amendment

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 would be binding on the Directors, Employees and all other stakeholders unless the same is notified to the Directors or Employees on the Company's website.

Annexure

Contact Details of reporting channel:

Reporting Channel	Contact Details
Phone (Toll Free)	000 800 100 4175
Web Portal	https://ethics.mahindra.com

The Chairperson of the Audit Committee can be reached by sending an email to Chairpersonofselacb@mahindrasel.com