

Escorts Group's Whistle Blower Policy

1. Preface

- a. The Escorts Group (hereinafter the "EL Group") strongly believes in conduct of its affairs in a fair and transparent manner and therefore, believe in adopting high standards of honesty, integrity and ethical behavior.

Following this vision the EL Group has adopted the Code of Conduct ("the Code"), which laying down for governing the actions of the EL Group and its Employees. Any actual or potential violation of the Code, howsoever insignificant, will be a matter of serious concern for the EL Group.

The role of the Employees and Directors in pointing out such violations of the Code is vital and important.

- b. Clause 49 of the Listing Agreement with Stock Exchanges, *inter alia*, read with applicable provisions of Section 177 of the Companies Act, 2013 provides for a mandatory requirement for all listed companies to establish a mechanism called 'Whistle Blower Policy' for the Directors and Employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Ethics policy and the Code of Conduct.
- c. Accordingly, this Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for Employees and Directors to approach the Ethics Counsellor/ Chairman of the Audit Committee.

2. Definitions

- a. "**Audit Committee**" means the Audit Committee constituted by the Board of Directors in accordance with Section 177 of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- b. "**Employee**" means every permanent employee of the EL Group including the Directors in the employment of the Company.
- c. "**Code**" means the EL Group's Code of Conduct.
- d. "**Ethics Policy**" means EL Group's Ethics Policy.

- e. **“Investigators”** mean the persons authorised, or appointed by the Ethics Counsellor/ Chairman of the Audit Committee and includes the Auditors of the Company and the police.
- f. **“Protected Disclosure”** means the communication made in good faith which discloses or demonstrates information that may evidence unethical or improper activity (actual or suspected) including - incorrect financial reporting or misappropriation of Group’s funds/ assets, unlawful acts, abuse of authority, misconduct, pilferation of Group’s assets, including confidential/ propriety information, damage to company assets including reputational.
- g. **“Subject”** means the person against whom or in relation to whom a Protected Disclosure has been made or evidence provided or gathered during the investigation.
- h. **“Whistle Blower”** means an Employee or Director making a Protected Disclosure under this Policy.

3. Scope

- a. This Policy is an extension of the Code. The Whistle Blower’s role is that of a reporting party with reliable information/ evidence. They are neither required nor expected to act as investigators of facts or remedial action that may be warranted in a given case.
- b. Whistle Blowers should not act on their own in conducting any investigative activities, other than as required by the Ethics Counsellor or the Chairman of the Audit Committee or the Investigators.
- c. Protected Disclosure will be appropriately dealt with by the Ethics Counsellor or the Chairman of the Audit Committee, as the case may be.

4. Eligibility

All Directors and Employees are eligible to make Protected Disclosures under this Policy.

5. Disqualifications

- a. It will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out. However, any abuse of this protection will warrant disciplinary action.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false, frivolous, baseless or bogus allegations made

by a Whistle Blower knowing to be with a mala fide or malicious intention. Further, protection under this policy would not be available if the Whistle Blower is himself involved in the act sought to be reported.

- c. A Whistle Blower who make 3 or more Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, may be disqualified from reporting further Protected Disclosures under this Policy.

6. Procedure

- a. All Protected Disclosures with complete details and evidences (if possible) be sent to –

Mr. G. B. Mathur, Ethics Counsellor

Address: Escorts Limited, 15/ 5, Mathura Road,
Faridabad – 121 003, Haryana

E-mail: ethics.counsellor@escorts.co.in

- b. The Whistle Blower also has the option to directly send the Protected Disclosure to the Chairman of the Audit Committee with or without serving a copy of the Ethics Counsellor at the following address:

Name: Chairman of the Audit Committee

Address: Escorts Limited, 15/ 5, Mathura Road,
Faridabad – 121 003, Haryana

E-mail: whistleblower@escorts.co.in

- c. If a Protected Disclosure is received by any executive of the EL Group other than Chairman of Audit Committee or the Ethics Counsellor, the same should be forwarded to the Company's Ethics Counsellor or the Chairman of the Audit Committee for further appropriate action.
- d. Appropriate care shall be taken to keep the identity of the Whistle Blower confidential.
- e. The Protected Disclosure should include as much information about the suspected violation as can be provided. Wherever possible, it should describe the nature of the suspected violation, the identities of persons involved a description of documents that relate to the suspected violation and the time frame during which the suspected violation occurred.

Protected Disclosures should be factual and not speculative.

- f. For the purpose of providing protection to the Whistle Blower, the Whistle Blower should disclose his/ her identity in the covering letter forwarding such Protected Disclosure.
- g. Anonymous Protected Disclosures will also be entertained by the Ethics Counsellor/ Chairman of the Audit Committee.

7. Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Counsellor/ Chairman of the Audit Committee who may either themselves investigate or oversee the investigations.
- b. The Ethics Counsellor/ Chairman of the Audit Committee may at their discretion, consider involving any Investigators for the purpose of investigation.
- c. The decision to conduct an investigation taken by the Ethics Counsellor/ Chairman of the Audit Committee by itself cannot be an accusation but should be treated as a neutral fact-finding process. The outcome of the investigation may not support the allegation/ conclusion of the Whistle Blower.
- d. Subjects will normally be informed of the allegations at an appropriate time during the investigation and shall be afforded opportunities for providing their inputs during the investigation process including a right to consult with persons of his choice other than the Ethics counsellor/ Chairman of the Audit Committee.
- e. The Subject and all other Employees have a duty to co-operate with the Ethics Counsellor/ Chairman of the Audit Committee or any of the Investigators during Investigation.
- f. Subjects 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 Subjects.
- g. Subjects shall be informed of the outcome of the investigation.
- h. Unless extended at the discretion of the Ethics Counsellor/ Chairman of the Audit Committee, the investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

8. Protection

- a. The EL Group, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against any Director or Employee. The 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.

The EL Group will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the EL Group shall arrange for the Whistle Blower to receive advice about the procedure, etc.

- b. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- c. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9. Investigation

- a. Investigations will be launched only after a preliminary review by the Chairman of the Audit Committee or the Ethics Counsellor, as the case may be, 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, it is felt that the concerned matter is worthy of management review.

10. Decision

The Ethics Counsellor/ Chairman of the Audit Committee shall submit the Investigation findings to the Chairman of the Company. In case the conclusion is that an improper or unethical act has been committed, the Ethics Counsellor/ Chairman of the Audit Committee shall recommend to the Management to take such disciplinary action as they may deem fit and proper.

11. Reporting & Documentation

The Ethics Counsellor shall report to the Chairman of the Audit Committee immediately about any Protected Disclosures referred to him/ her.

A quarterly summary of the Protected Disclosures received along with results of investigations should be submitted to the Chairman of the Company as well.

All relevant documentation with respect to the Protected Disclosures shall be retained by EL Group for a minimum of 5 years.

13. Amendment

The EL Group 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 Employees or Directors unless the same is notified to them in writing.