

CUMMINS INDIA LIMITED

Vigil Mechanism Policy

Scope:

The Vigil Mechanism Policy (erstwhile Whistle Blower Policy) ('the Policy') is applicable to the Directors and Employees of: –

- Cummins India Limited,
- Cummins Generator Technologies India Private Limited,
- Cummins Sales & Service Private Limited, and
- Valvoline Cummins Private Limited

(hereinafter each entity referred to as 'the Company').

Purpose:

To set forth the Company's policy regarding safeguarding the interest of the directors and employees ("Whistle Blower") who report any unethical or improper practice, or violation of Cummins Code of Conduct reporting of instances of leak unpublished price sensitive information pursuant to "Code of Conduct to Regulate, Monitor and Report the Insider Trading by Designated Persons, Employees and other Connected Persons" or complaints regarding accounting, auditing, internal controls or disclosure practices of the Company, to give platform to the directors and employees to report any unethical or improper practice (not necessarily a violation of law) to the Audit and Risk Management Committee and to define a process for receiving complaints.

Policy:

The Company is committed to the highest possible standards of openness, probity and accountability in all its affairs and to providing a workplace conducive to open discussion of its business practices. This policy reinforces the Company's approach by setting out the ways in which the directors/ employees can voice their concerns about suspected unethical or improper practice, or violation of Cummins Code of Conduct or complaints regarding accounting, auditing, internal controls or disclosure practices of the Company.

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Procedure:

1. The Policy shall be administered by the Head of Legal Department of the Company.
2. The director/ employee shall call the confidential Toll Free number 000 800 100 1071 and 000 800 001 6112 or give written complaint to Head of Legal Department with a copy to Chairman, Audit Committee.
3. The director/ employee shall be specific and the complaint shall contain sufficient details to permit a thorough investigation without need for direct contact with the director/ employee. The complaint shall specifically include:
 - The nature and facts of the complaint.
 - The impact/ effect either monetary or otherwise on the Company.
 - The name and address of the Whistle Blower.
4. This Policy encourages directors and employees to put their names to the complaints. Concerns expressed anonymously will be considered at the discretion of the Audit and Risk Management Committee in consultation with Management of the Company. In exercising this discretion, the factors to be taken into account would include: the seriousness of the issues raised, the credibility of the complaint, and the likelihood of confirming the complaint from attributable sources.
5. The Policy will be communicated to all directors and employees through circular/ display on notice board, intranet, website etc.
6. The complaints will be received by the Head of Legal Department of the Company for investigation with a copy to the Chairman, Audit Committee.
7. The complaints specifically related to violation of “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” and any leak of unpublished price sensitive information by employee/ Director, shall be addressed

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to Chief Investor Relations Officer (CIRO) of the Company with a copy to Head of Legal Department and the Chairman of Audit Committee.

8. Each complaint will be assigned a unique number for future reference. The director/ employee may use the number to monitor status and suggested resolution of the complaint.
9. The Head of Legal Department shall complete the investigation within 45 days of the receipt of the complaint and submit his report of findings / investigation to Chairman of Audit Committee. The Chairman will discuss the report with Management of the Company and decision on the report will be taken by Chairman of Audit Committee in consultation with the Management / Committee Members within 30 days of the date of report. The decision on the complaint will be communicated to Whistle Blower by Head of Legal Department.
10. If the investigation is not completed within 45 days or if the Whistle Blower is not satisfied with the decision communicated, the Whistle Blower will be entitled to give a request for appearance before the Audit Committee to represent the complaint. Such request shall be made directly to the Chairman, Audit Committee. In exceptional circumstances, the Chairman, Audit Committee may allow the Whistle Blower to appear directly before Audit Committee in respect of his complaint without following above procedure.
11. The request received from the Whistle Blower for appearance shall not be rejected by the Audit Committee and that the Whistle Blower shall be informed about the day, date, time and place of the meeting of the Audit Committee at least 8 days in advance.
12. If the complaint made by the Whistle Blower is found to be appropriate, the Audit Committee or CIRO, as the case may be will advise the Management to take suitable

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corrective measures to avoid recurrence and also if required to take action against the wrong doer.

Safeguarding the interest of the Whistle Blower

1. The Company will do its best to protect Whistle Blower's identity when he or she makes a complaint. It must be appreciated, however, that the investigation process may require a statement by the whistle blower as part of the evidence.
2. The Company recognizes that the decision to report a complaint can be difficult one to make. The Company will not tolerate harassment or victimization and will take action to protect the Whistle Blower. The Company assures every Whistle Blower, protection against unfair termination or any other disciplinary action or unlawful discrimination or retaliation in any manner for blowing the whistle under this Policy.

Reporting/ Record

The report regarding total number of complaints received in previous quarter, nature of complaint, outcome of investigation, actions recommended by the Audit Committee and implementation of the same shall be placed before the Audit Committee on quarterly basis by the Head of Legal Department. The report on above shall be reviewed and recorded by the Audit Committee.

Effective Date :

This Policy shall come into effect on January 1, 2004 and will remain in force until further notice. Further Clause 7 of procedure of this policy is inserted vide Board Meeting held on March 29, 2019 to give effect Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015.

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Review & Modification:

The Board is authorized to change or modify this policy from time to time at its sole discretion and/ or in pursuance of any amendments made by any relevant law for the time being in force.

Approved by: Board of Directors

Initial Effective Date: January 01, 2004

First Modification Date: October 30, 2018

Second Modification Date: March 29, 2019