



ACE INTEGRATED SOLUTIONS LIMITED

**VIGIL MECHANISM AND WHISTLE-
BLOWER POLICY**

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PREFACE

Section 177(9) of the Companies act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires every listed company, companies which accept deposits from the public and companies which have borrowed money from banks and public financial institutions in excess of fifty crore rupees to establish a vigil mechanism for the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy. Such a vigil mechanism shall provide for adequate safeguards against victimization of directors and employees who avail of such mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

In line with the above and in order to comply with the mandatory requirement of the above provisions, it is necessary to formulate a specific vigil mechanism/whistle blower policy for **Ace Integrated Solutions Limited** for use by its Directors, Officers and Employees.

PURPOSE

The "Whistle Blower Policy" encourages Directors and employees to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud or violation of the Code of Conduct, that could adversely impact the Company's operations, business performance and / or reputation. The Company will investigate such reported incidents in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld.

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

1. **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. **“Employee”** means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
3. **“Code”** means the Code of Conduct.

4. **“Investigator(s)”** mean the person(s) authorised, appointed, consulted or approached by the Audit Committee and includes the Auditors of the Company and the Police.
5. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
6. **“Subject”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
7. **“Compliance Officer”** means Company Secretary of the Company
8. **“Whistle Blower”** means an employee/director or group of employees/director(s) who make a Protected Disclosure under this Mechanism and also referred in this Mechanism as complainant.

SCOPE

This Policy is an extension of the Code of Conduct. The Whistle Blower’s role is that of a reporting party with reliable information. They are not required or expected to act as investigator(s) or finder(s) of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers 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 Audit Committee or the Investigator(s). Protected Disclosure will be appropriately dealt with by the Audit Committee.

ELIGIBILITY

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures will be in relation to matters concerning the Company.

DISQUALIFICATIONS

While it will be ensured that genuine Whistle Blowers are given complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will attract disciplinary action. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention. Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Company / Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

PROCEDURE

All Protected Disclosures should be addressed to **Mr. Akhilesh Kumar Maheshwari** an Independent Director of the Company and Chairman of the Audit Committee.

The Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised. The Protected Disclosures can also be reported verbally, either personally or over telephone to the Chairman of the Audit Committee, which should be followed by a written communication. All Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English or Hindi or regional language of place of employment of the Whistle Blower. It is suggested that the Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee shall detach the covering letter and discuss the Protected Disclosure with Members of the Audit Committee to decide further action in the matter. If the Whistle Blower does not wish to reveal identity he/she may feel free to do so without revealing identity. However, the disclosure has to be complete and supported by facts and figures to enable proper scrutiny and investigation. 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 enable proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

INVESTIGATION

The Audit Committee may at its discretion, consider involving any Investigator(s) for the purpose of investigation. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Investigator(s) appointed by the Audit Committee who will investigate the matter under the authorization of the Audit Committee. The decision of the Audit Committee to conduct an investigation, by itself is not an accusation and is to be treated as a neutral fact finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed. The identity of a Subject will be kept confidential to the extent possible keeping in mind the legitimate needs of law and the investigation. Subjects will normally be informed of the allegations at the outset of a formal investigation and given opportunities for providing their inputs during the investigation. This will be after conclusion of the initial review and findings which prima facie establish a need for a formal investigation. Subjects shall have a duty to co-operate with the Audit Committee or any of the Investigator(s) during investigation to the extent that such co-operation sought does not merely require them to admit guilt. Subjects have a right to consult with a person or persons of their choice, other than the Investigator(s) and/or members of the Audit Committee and/or the Whistle Blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings. 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. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

PROTECTION

No unfair treatment will be meted out to a Whistle Blower 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 Whistle Blowers. 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 including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The Company 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 Company will arrange for the Whistle Blower to receive advice about the procedure, etc. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Audit Committee (e.g. during investigations carried out by Investigator(s)). Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

INVESTIGATORS

Investigator(s) are required to conduct a process towards fact-finding and analysis. Investigator(s) shall derive their authority and rights from the Audit Committee when acting within the course and scope of their investigation. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased. Investigators will have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards. Investigations will be launched only after a preliminary review which establishes that a) The alleged act constitutes an improper or unethical activity or conduct and b) The allegation is supported by information specific enough to be investigated.

SECRECY / CONFIDENTIALITY

The complainant, Members of Audit Committee, the Subject and everybody involved in the process shall

- i. Maintain confidentiality of all matters under this Policy;
- ii. not discuss the matter with any other person other than one required for enquiry/investigation into the matter;
- iii. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations;
- iv. Not keep the papers unattended anywhere at any time;
- v. Keep the electronic mails / files under password.

DECISION

If an investigation leads the Audit Committee to conclude that an improper or unethical act has been committed, the Audit Committee shall recommend such disciplinary or corrective action as it deems fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

REPORTING

The Investigator(s) shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him / her / them since the last report together with the results of investigations, if any.

RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

DISCLOSURE

Details of the establishment of this Whistleblower Mechanism Policy shall be disclosed on the company's website and in Boards Report.

ADMINISTRATION AND REVIEW OF THE POLICY

The Board of Directors of the Company, subject to applicable laws, reserves its right to amend, suspend or rescind this Policy at any time. Any difficulties or ambiguities in the Policy will be resolved by the Board of Directors in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.
