



PACE DIGITEK LIMITED

VIGIL MECHANISM / WHISTLE-BLOWER POLICY

Document version	Approved By	Date of approval	Date of Amendment
1.0	Board of Directors	01 st February, 2025	-

Contents

- 1. Preamble:..... 3
- 2. Definitions:..... 3
- 3. Applicability:..... 5
- 4. Procedure for making the Protected disclosures: 5
- 5. Exclusions 6
- 6. Investigation Process..... 6
- 7. Investigators 7
- 8. Decisions & Actions 7
- 9. Confidentiality..... 7
- 10. Protection of Whistle-Blowers 7
- 11. Communication 8
- 12. Annual Affirmation..... 8
- 13. Administration and review of the Policy..... 8
- 14. Waivers and Amendments 8
- 15. Review of the Policy..... 8

1. Preamble:

At **PACE DIGITEK LIMITED** (“**the Company**”), we believe in the conduct of affairs of its business in a fair and transparent manner by adhering to the highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to developing a culture where it is safe for all employees to raise genuine concerns or grievances about suspected wrongful conduct or unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct policy (“**Code of Conduct**”).

Section 177 of the Companies Act, 2013 (“**the Act**”) read with Rule 7 Companies (Meetings of Board and its Powers) Rules, 2014 requires certain class of companies to establish a vigil mechanism for their directors and employees to report genuine concerns or grievances in such manner as prescribed therein. Further, Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), inter-alia, provides all listed companies to establish a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct.

Accordingly, this Vigil Mechanism/ Whistle-Blower Policy (“**Policy**”) has been formulated and adopted by the Board of Directors (“**Board**”) on 01st February, 2025 with a view to provide a mechanism to employees and directors of the Company to come out with their genuine concerns or grievances on suspected wrongful conducts or unethical behavior, actual or suspected fraud or violation of the Code of Conduct through written communication with relevant information without fear of retaliation of any kind. The whistle blowing procedure mentioned in this Policy is intended to be used for serious and sensitive issues.

2. Definitions:

- a) ‘**Act**’ means the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time.
- b) **Audit Committee:** Audit Committee is the committee which is constituted by the Company pursuant to section 177 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations, as amended.
- c) **Code of Conduct:** means the Company’s code of conduct policy.
- d) **Company:** The Company or this Company means Pace Digitek Limited.
- e) **Complainant / Whistle-Blower:** An Employee or Director who makes a Protected Disclosure under this Policy and also referred in this Policy as a Complainant.
- f) **Directors:** Directors means all the directors appointed to the Board of the Company including whole time directors and independent directors of the Company (whether working in India and abroad).
- g) “**Disciplinary Action**”: means any action that can be taken on the completion of /during the investigation proceedings including but not limited to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- h) **Employee:** Employee means all the employees of the Company (including outsourced, temporary and on-contract personnel) and/or third-party engaged by or on behalf of the Company. (whether working in India and abroad).
- i) **Frivolous Complaint:** means any complaint made under the Policy with no evidence or on hearsay basis or with mala fide intentions against the Subject (*defined below*), arising out of false or bogus

allegations.

- j) **“Good Faith”**: means an employee shall be deemed to be communicating in “good faith” if there is a reasonable basis for communication of unethical or unlawful conduct. Good faith shall be deemed lacking when the employee does not have personal knowledge on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical or unlawful conduct is malicious, false or frivolous.
- k) **Investigators**: means persons authorized, appointed, consulted, or approached, engaged by the Vigilance Officer or as directed by the chairman of the Audit Committee in connection with investigating the Protected Disclosure.
- l) **Protected Disclosure**: means communication made by the Whistle-Blower (*defined below*) in good faith that discloses or reports information that may lead to evidencing Unethical or Unlawful Conduct (*defined below*), or any improper or illegal activity.
- m) **SEBI Listing Regulations**: means the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.
- n) **Subject**: means a person against, or in relation to whom, a protected disclosure has been made or evidence accompanied during investigation.
- o) **“Unethical or Unlawful Conduct”** includes:
 - 1. Unlawful or dishonest activities, manipulation of data/documents, misrepresentations, actual or suspected fraud, forgery, theft, bribery, and other corrupt business practices.
 - 2. Accounting or auditing irregularities, billing for services not performed or for goods not delivered, embezzlement, misappropriation of funds and any other fraudulent financial reporting or financial crimes.
 - 3. Antitrust or insider trading violations including leakage of unpublished price sensitive information.
 - 4. Significant environmental, safety, or product quality issues.
 - 5. Misuse/abuse of official position, seeking or making inappropriate favors, abuse of authority or unlawful discrimination or harassment.
 - 6. Proliferation of confidential/proprietary information.
 - 7. Breach of Company’s code and/or policies; or
 - 8. Any other act or genuine concern which may adversely affect the reputation.
- p) **Vigilance Officer**: means an officer appointed to receive Protected Disclosures from Whistle-Blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle-Blower the result thereof.

3. Applicability:

The Policy is applicable to all Employees and Directors of the Company.

4. Procedure for making the Protected disclosures:

- a. The Whistle-Blower can make a protected Disclosure by using any of the following channels:
 - I. A protected Disclosure should be made in writing. Letters can be submitted by hand delivery, email, courier or by post addressed to the Vigilance Officer.

Contact Details of Vigilance Officer

Name: Rajavendhan Pandidurai

Address: Plot # V 12, Industrial Estate
Kumbalgodu, Bangalore Mysore Highway,
Bangalore, Karnataka, India, 560074.

Email: rajavendhan.p@pacedigitek.com

- II. Vigilance Officer's e-mail address at rajavendhan.p@pacedigitek.com.
- III. Chairperson of the Audit Committee.
- IV. Employees may also make Disclosure to their functional head.

In case of any complaint against the Vigilance Officer or against the Directors, the Whistle-Blower will address the complaint to the Chairperson of the Audit Committee at prabhakar.patil@pacedigitek.com. A Written complaint to Chairperson of the Audit Committee can be sent to Plot # V 12, Industrial Estate, Kumbalgodu, Bangalore Mysore Highway, Bangalore, Karnataka, India, 560074.

- b. The Whistle-Blower can either disclose its identity or file an anonymous complaint.
- c. Anonymous complaints shall be investigated only if the Company considers that adequate data, facts, and/or evidence are/is made available to initiate investigation.
- d. Disclosure received under this Policy shall forthwith be forwarded to the designated email address of Vigilance Officer.
- e. The investigation shall normally be completed within 90 days of receipt of Disclosure, except in complex cases.
- f. Disclosures should be factual and not speculative and should contain as much specific information as possible to enable proper assessment and investigation.
- g. The Whistle-Blower is expected to cooperate as and when required in the investigation.
- h. Disclosure(s) pertaining to sexual harassment should be made to the Internal Complaints Committee ("ICC") constituted for the purpose. If received through this Policy, the same shall be forwarded to the ICC.

5. Exclusions

The Company reserves the right not to investigate under this Policy:

- a. Complaints pertaining to salary, performance evaluation, career grievances, or other human resource related issues which do not indicate violation of the Code of Conduct.
- b. Complaints pertaining to financial or business decisions taken by the Company without any element of misconduct or fraud.
- c. Complaints made without adequate information such as details of the Subject(s), description of the incident, specific evidence, or source of evidence.
- d. Matters which are pending before a court of law, commission, tribunal or any other judicial or quasi-judicial body.
- e. Frivolous complaints.

6. Investigation Process

- a. All Disclosure(s) shall be subject to preliminary review and based on the findings of the preliminary review, the decision for investigation shall be taken by the Audit Committee.
- b. If the Disclosure is reported to the Chairperson of the Audit Committee, he/she may consider appointing an expert or external agency or the statutory/internal auditor of the Company to investigate the matter, as he/she may deem fit.
- c. If the Disclosure is received against any member of the Audit Committee such member shall recuse themselves from participating in the investigation process
- d. Audit Committee may, at its discretion, consider involving any internal or external Investigators for the purpose of investigation, depending upon circumstances/severity of the Disclosure.
- e. The decision to investigate is, by itself, not an accusation and should be treated as a neutral fact-finding process.
- f. The identity of the Subject and the Whistle-Blower would be kept confidential to facilitate effective investigation.
- g. Subjects shall be duty-bound to co-operate with the Vigilance Officer or any of the Investigators during investigation to the extent that such co-operation shall not compromise self- incrimination protections available under the applicable laws.
- h. Subjects shall not interfere with the investigation. Evidence shall not be withheld, destroyed, or tampered with and witnesses shall not be influenced, coached, or intimidated by the Subjects.
- i. Subjects shall be given an opportunity to respond to material findings of an investigation report.
- j. Whistle-Blower shall not 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.

- k. Subjects and Whistle-Blowers shall have a right to be informed about the outcome of the investigation if the allegation is proved.

7. Investigators

- a. Investigators are required to conduct investigation as a fact-finding process. Investigators shall derive their authority and access rights from the Audit 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.
- c. 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.

8. Decisions & Actions

If an investigation leads to establish that an Unethical or Unlawful Conduct has taken place or has been committed, the Vigilance Officer shall in consultation with the Chairman of the Audit Committee of the Company agree on the disciplinary or corrective action to be taken. The action shall be implemented by the management of the Company.

9. Confidentiality

The Whistle-Blower shall:

- a) Maintain confidentiality of all matters under this Policy
- b) Discuss only to the extent or with those persons as required under this Policy for completing the process of investigations.

The identity of the Whistle-Blower shall be kept confidential to the extent possible and permitted under law. The identity of the Whistle Blower will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. The Company may disclose the Protected Disclosure (including the identity of the Whistle-Blower) if it is required in compliance with applicable law (including listing agreement), or judicial or other governmental order or internal policy of the Company.

10. Protection of Whistle-Blowers

No adverse personal action shall be taken or recommended against the Whistle-Blower in retaliation to his Protected Disclosure in Good Faith 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-Blower. This Policy protects such Employees from unfair termination and unfair prejudicial employment practices. A Whistle-Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

Provided however that the Whistle-Blower before making a complaint has reasonable belief that an issue exists and he has acted in Good Faith. Any complaint not made in Good Faith as assessed as such by the

Audit Committee shall be viewed seriously and the Whistle-Blower shall be subject to disciplinary action. This Policy does not protect an Employee of the Company from an adverse action which occurs on account of any other reason including but not limited to unethical and improper practice or alleged wrongful conduct, poor job performance, reduction in work force or, any other disciplinary action, etc. unrelated to his Protected Disclosure made pursuant to this Policy.

11. Communication

The Vigilance Officer is required to notify and communicate the existence and contents of this Policy effectively communicated to all the Employees of the Company. All Employees shall be informed by publishing the same on the notice board / intranet of the Company and on the website of the company.

12. Annual Affirmation

The Audit Committee shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to the Whistle-Blower from adverse personnel action.

13. Administration and review of the Policy

The Vigilance Officer or chairman of the Audit Committee of the Company shall be responsible for the administration, interpretation, application and review of this Policy. The Audit Committee also shall be empowered to bring about necessary changes to this Policy, if required at any stage.

14. Waivers and Amendments

The Company reserves the right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. Employees shall be informed by publishing the same on the notice board / intranet of the Company and on the website of the company.

15. Review of the Policy

This policy is framed based on the provisions of the Act and SEBI Listing Regulations.

In case of any subsequent changes in the provisions of the Act or any other regulations which make any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Audit Committee as and when any changes are to be incorporated in the policy due to changes in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be subject to the approval of the Board of Directors.

Note: This policy has been approved by the Board of Directors of the Company at their meeting held on 01st February, 2025 and shall be effective from 01st February, 2025.

