

VIGIL MECHANISM POLICY FOR  
S.D. INTERNATIONAL PRIVATE LIMITED

**PREAMBLE**

Section 177(9) of the Companies Act, 2013 requires every listed company and the companies which accept deposits from the public or which have borrowed money from banks and public financial institutions in excess of fifty crores rupees to establish a vigil mechanism for the directors and employees to report genuine concerns or grievances. Since the total borrowings from banks and public financial institutions of the Company are more than fifty crores, the provisions of Section 177(9) of the Companies Act 2013 are applicable to the Company.

In compliance of the above requirements, S.D. International Private Limited has established a Vigil Mechanism and formulated a policy with a view to provide a mechanism for directors and employees of the Company to approach the Vigilance Officer to report the genuine concerns or grievances.

**DEFINITIONS**

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Code.

“**Act**” means Companies Act, 2013 and rules framed there under as amended from time to time.

“**Company**” means S.D. International Private Limited.

“**Code**” means the Code of Conduct of the Company.

“**Policy**” or “**This Policy**” means Vigil Mechanism Policy.

“**Protected Disclosure**” means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

“**Subject**” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

“**Whistle Blower or Complainant**” is a director or employee who makes a Protected Disclosure under this Policy.

“**Directors**” means every Director of the Company, past or present.

“**Employee**” means every employee of the Company (whether working in India or abroad), including the directors in the employment of the Company.

“**Senior Management**” mean personnel of the Company who are members of its core management team including Functional Heads but excluding Board of Directors.

“**Vigilance Officer**” is a person nominated by the Board to receive the concerns and grievances from the directors and employees of the Company under the Vigil Mechanism.

**POLICY OBJECTIVES**

The Vigil Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or policy.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and report the concern to the Vigilance Officer.

### **SCOPE**

The policy is an extension of the Code of Conduct for Directors & Senior Management Personnel and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

1. Breach of the Company's Code of Conduct
2. Breach of Business Integrity and Ethics
3. Breach of terms and conditions of employment and rules thereof
4. Intentional Financial irregularities, including fraud, or suspected fraud
5. Deliberate violation of laws/regulations
6. Gross or Wilful Negligence causing substantial and specific danger to health, safety and environment
7. Manipulation of company data/records
8. Pilferation of confidential information
9. Gross wastage/misappropriation of Company's funds/assets

### **ELIGIBILITY**

All Directors and Employees of the Company are eligible to make Protected Disclosures under the policy in relation to matters concerning the Company.

### **PROCEDURE**

All Protected Disclosures should be reported in writing by the whistle blower 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.

The Protected Disclosure should be submitted under a covering letter signed by the whistle blower in a closed and secured envelope and should be super scribed as “**Protected disclosure under the Vigil Mechanism policy**” or sent through email with the subject “**Protected disclosure under the Vigil Mechanism policy**”. If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.

All Protected Disclosures should be addressed to the Vigilance Officer.

The contact details of the Vigilance Officer are as under:-

**Mr. Vinay Agarwal**  
**AL-18B & AL-19, Sector-13, GIDA, Gorakhpur-273209, Uttar Pradesh**  
**email: [vinay@sdgoarkhpur.com](mailto:vinay@sdgoarkhpur.com)**  
**Tel + No. 88740 90000**

If a protected disclosure is received by any Executive of the Company other than the Vigilance Officer, the same should be forwarded to him for further appropriate action. Appropriate care must be taken to keep the identity of the whistle blower confidential.

On receipt of the protected disclosure, the Vigilance Officer shall detach the covering letter bearing the identity of the whistle blower and process only the Protected Disclosure.

Anonymous/ Pseudonymous disclosure shall not be entertained.

## **INVESTIGATION**

All Protected Disclosures reported under this Policy will be thoroughly investigated by the Vigilance Officer who will investigate / oversee the investigations.

The Vigilance Officer, if deems fit, may call for further information or particulars from the whistle blower and may at his discretion, consider involving any officer of the Company and/ or an outside agency for the purpose of investigation.

The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

Subject will normally be informed of the allegations at the outset of a formal investigation and will have the opportunities for providing his inputs during the investigation.

Subject shall have a duty to co-operate with the Vigilance Officer during the investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

Subject has a right to consult with a person or persons of his choice, other than the Vigilance Officer, investigators and/or the whistle blower. Subjects shall be free at any time to engage counsel at his own cost to represent him in the investigation proceedings.

Unless there are compelling reasons not to do so, Subject 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.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Vigilance Officer deems fit.

## **DECISION AND REPORTING**

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Vigilance Officer shall recommend to the management of the Company to take such disciplinary or corrective action as it may deem fit.

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.

A quarterly report with number of complaints received under the policy, if any and their outcome shall be placed before the Board.

A whistle blower who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## **CONFIDENTIALITY**

The whistle blower, the Vigilance Officer, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

## **PROTECTION**

No unfair treatment will be meted out to a whistle blower by virtue of his having reported a Protected Disclosure under this policy. Adequate safeguards against victimisation of whistle blowers shall be provided. The Company will take steps to minimize difficulties, which the whistle blower may experience as a result of making the Protected Disclosure.

The identity of the whistle blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the whistle

blower.

### **DISQUALIFICATIONS**

While it will be ensured that genuine whistle blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant 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 any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable for punishment.

### **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 5 (five) years or such other period as specified by any other law in force, whichever is more.

### **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 will be binding on the Employees and Directors unless the same is notified to the Employees and Directors in writing.

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