

**MILLTEC Machinery Limited**

**POLICY FOR REGULATING AND REPORTING TRADING BY INSIDERS**

**1 PREFACE**

In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 & the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, the Board of Directors of the Company at their meeting held on 14<sup>th</sup> June, 2018 have approved and adopted the Policy for Regulating and Reporting Trading by Insiders, which will come into effect post listing of the Equity Shares of the Company.

The Company is committed to the preservation of confidentiality and prevention of misuse of any Unpublished Price Sensitive Information. The Company is further committed to the adherence to all applicable laws and regulations set forth by SEBI or the Stock Exchanges with regard to prevention of insider trading.

Trading on insider information is not only illegal, but also tarnishes corporate credibility of the Company. The Company is committed in ensuring transparency and fairness in dealing with all stakeholders of the Company.

This Policy aims to define and establish rules & processes to be followed by the Company/ its insiders with respect to:

- Prevention of Insider trading of securities;
- Ensuring no violation of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
- Maintenance of confidentiality of Unpublished Price Sensitive Information; and
- Adherence to SEBI's applicable guidelines by all Connected Persons or deemed Connected Persons including Directors, Officers and Designated Persons for prevention of insider trading.

***This Policy shall come into force with effect from the date of listing of the Equity Shares of the Company on BSE Limited and/or on the National Stock Exchange of India Limited.***

**2 DEFINITIONS**

Definitions of some of the key terms used in this Policy are given below:

- a) **“Board”** means the Board of Directors of the Company;

- b) **“Company”** means MILLTEC Machinery Limited;
- c) **“Compliance Officer”** means any senior officer, designated so and reporting to the Board of Directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the SEBI (Prohibition of Insider Trading) Regulations, 2015;
- d) **“Connected Person”** means:
- i. any person who is or has, during the six months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access;
  - ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be Connected Persons unless the contrary is established:
    - (a) an immediate relative of Connected Persons specified in clause (i); or
    - (b) a holding company or associate company or subsidiary company; or
    - (c) an intermediary as specified in Section 12 of the Securities and Exchange Board Act, 1992, as amended, or an employee or director thereof; or
    - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
    - (e) an official of a stock exchange or of clearing house or corporation; or
    - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
    - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2(72) of the Companies Act, 2013; or
    - (h) an official or an employee of a self-regulatory organization recognised or authorized by SEBI; or
    - (i) a banker of the Company; or
    - (j) a concern, firm, trust, Hindu Undivided Family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest;
- e) **“Designated Person(s)”** shall:
- i. All Directors on the Board;
  - ii. All Key Managerial Personnel;
  - iii. All Senior Managerial Personnel;
  - iv. All employees at Vice President level & above;
  - v. All Employees (Above Manager Grade) in the Finance & Accounts, Legal, Secretarial & Compliance, Investor Relations, Communications and Media Communications departments;

- vi. All employees who are attached to Directors'/MD's/CEO's Office;
  - vii. Internal Auditors, Statutory Auditors, Secretarial Auditors, Consultants and Advisors of the Company;
  - viii. Any other person who on the basis of their role and function in the Company, is reasonably expected to have access to unpublished price sensitive information(s) relating to the Company, as may be decided by the Chairman/Managing Director/Whole-Time Director/Joint Managing Director/Compliance Officer, from time to time;
- f) **"Employee"** means every employee of the Company (whether working in India or abroad) including the Directors and Key Managerial Personnel in the employment of the Company;
- g) **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis;
- h) **"Immediate relative"** means a spouse of a person and includes parent, sibling and child of such person or of the spouse, any of whom is either dependent financially on such person or consults such person in taking decisions relating to trading in securities;
- i) **"Insider"** means any person who is:
- i. a Connected Person; or
  - ii. in possession of or having access to unpublished price sensitive information;
- j) **"Insider Trading"** means actions where insiders use unpublished price sensitive information to arrive at securities trading/dealing (including buying as well as selling) decisions;
- k) **"Policy"** means this Policy for Regulating and Reporting Trading by Insiders;
- l) **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;
- m) **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof except units of a mutual fund;
- n) **"SEBI Insider Trading Regulations"** means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- o) **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
- p) **"Trading Day"** means a day on which the recognized stock exchanges are open for trading;
- q) **"Unpublished Price Sensitive Information"** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the

securities and shall, ordinarily including but not restricted to, information relating to the following:

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel; and
- vi. material events in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as may be amended from time to time.

Words and expressions not defined in this Policy shall have the same meaning as contained in SEBI Insider Trading Regulations.

### **3. DUTIES OF COMPLIANCE OFFICER**

The Board of Directors shall appoint a Compliance Officer who shall report to the Board on matters relating to prevention/regulation/reporting of Insider trading as specified in the Policy.

The Compliance Officer shall perform such functions as required and shall include the following:

- Pre-clearing trades as per prescribed procedure;
- monitoring implementation and adherence of the Policy under the overall supervision of the Board;
- maintaining a record of Designated Persons and updating any changes made to the list of Designated Persons;
- assisting all the employees in addressing any clarification regarding the Company's Policy on Prevention of Insider Trading and the SEBI Insider Trading Regulations;
- in consultation with the Chairman and/or Managing Director and as directed by the Board, specifying prohibited period (closure of trading window) from time to time and immediately making an announcement thereof;
- ensuring that prohibited period is intimated to all concerned before the commencement of the said period;
- maintaining records of all the declarations submitted in the appropriate form given by the Designated Persons;
- informing all Stock Exchanges on which the securities of the Company are listed, the information as required and disclose to the extent, as required under rules and regulations promulgated by the Securities and Exchange Board of India or the Stock Exchanges;
- reporting details of dealings in the securities of the Company by Designated Persons,

to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors on a quarterly basis or at such frequency as may be stipulated by the Board of Directors;

- implementing punitive measures or disciplinary action prescribed for any violation or contravention of the Policy and the SEBI Insider Trading Regulations;
- Communicating changes in the Policy to all concerned;
- Updating the Board of Directors on changes in Regulations from time to time;
- doing all such things as provided in the SEBI Insider Trading Regulations and as may be prescribed by SEBI from time to time.

In the absence of a Compliance Officer, any other Senior Official may be designated by the Compliance Officer / Board of Directors, to act as the Compliance Officer.

#### **4. MAINTENANCE OF CONFIDENTIALITY OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

- All Designated Persons shall maintain the confidentiality of all unpublished price sensitive information.
- Such persons shall also not pass on such information to any person directly or indirectly by means such as making a recommendation for the purchase or sale of securities etc.
- All Unpublished Price Sensitive Information shall be handled on a need-to-know basis, i.e., Unpublished Price Sensitive Information to be disclosed only to those persons within the Company who need such information to discharge their duties.
- No unpublished price sensitive information shall be communicated to any person except in furtherance of the Insider's legitimate purposes, performance of duties or discharge of his legal obligations.
- All non-public information directly received by any employee should immediately be reported to the head of the respective department.
- All files, whether electronic or manual, containing confidential information shall be kept secure.

*“Need- to- know” basis means that Unpublished Price Sensitive Information should be disclosed only to those who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.*

## **5. PROHIBITION OF FRAUDULENT AND UNFAIR TRADE PRACTICES RELATING TO SECURITIES MARKET**

**A.** The Company will ensure the compliance of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (“the Act”). The terms defined herein below to be used for the purpose of this section only.

**a) “Dealing in securities”** includes an act of buying, selling or subscribing pursuant to any issue of any security or agreeing to buy, sell or subscribe to any issue of any security or otherwise transacting in any way in any security by any person as principal, agent or intermediary referred to in Section 12 of the Act.

**b) “Fraud”** includes any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful gain or avoidance of any loss, and shall also include—

- i. a knowing misrepresentation of the truth or concealment of material fact in order that another person may act to his detriment;
- ii. a suggestion as to a fact which is not true by one who does not believe it to be true;
- iii. an active concealment of a fact by a person having knowledge or belief of the fact;
- iv. a promise made without any intention of performing it;
- v. a representation made in a reckless and careless manner whether it be true or false;
- vi. any such act or omission as any other law specifically declares to be fraudulent,
- vii. deceptive behaviour by a person depriving another of informed consent or full participation,
- viii. a false statement made without reasonable ground for believing it to be true.
- ix. the act of an issuer of securities giving out misinformation that affects the market price of the security, resulting in investors being effectively misled even though they did not rely on the statement itself or anything derived from it other than the market price.

and “fraudulent” shall be construed accordingly;

Nothing contained in this clause shall apply to any general comments made in good faith in regard to—

- i. the economic policy of the government
- ii. the economic situation of the country
- iii. trends in the securities market;
- iv. any other matter of a like nature

whether such comments are made in public or in private;

### **B. Prohibition of certain dealings in securities:**

No person shall directly or indirectly:

- i. buy, sell or otherwise deal in securities in a fraudulent manner;
- ii. use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance

in contravention of the provisions of the Act or the rules or the regulations made there under;

- iii. employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;
- iv. engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the provisions of the Act or the rules and the regulations made there under.

### **C. Prohibition of manipulative, fraudulent and unfair trade practices**

1. Without prejudice to the provisions of above para (B) (regulation 3 of (b) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003), no person shall indulge in a fraudulent or an unfair trade practice in securities.
2. Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely:—
  - a) indulging in an act which creates false or misleading appearance of trading in the securities market;
  - b) dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss;
  - c) advancing or agreeing to advance any money to any person thereby inducing any other person to offer to buy any security in any issue only with the intention of securing the minimum subscription to such issue;
  - d) paying, offering or agreeing to pay or offer, directly or indirectly, to any person any money or money's worth for inducing such person for dealing in any security with the object of inflating, depressing, maintaining or causing fluctuation in the price of such security;
  - e) any act or omission amounting to manipulation of the price of a security;
  - f) publishing or causing to publish or reporting or causing to report by a person dealing in securities any information which is not true or which he does not believe to be true prior to or in the course of dealing in securities;
  - g) entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security;
  - h) selling, dealing or pledging of stolen or counterfeit security whether in physical or dematerialized form;
  - i) an intermediary promising a certain price in respect of buying or selling of a security to a client and waiting till a discrepancy arises in the price of such security and retaining the difference in prices as profit for himself;
  - j) an intermediary providing his clients with such information relating to a security as cannot be verified by the clients before their dealing in such security;

- k) an advertisement that is misleading or that contains information in a distorted manner and which may influence the decision of the investors;
- l) an intermediary reporting trading transactions to his clients entered into on their behalf in an inflated manner in order to increase his commission and brokerage;
- m) an intermediary not disclosing to his client transactions entered into on his behalf including taking an option position;
- n) circular transactions in respect of a security entered into between intermediaries in order to increase commission to provide a false appearance of trading in such security or to inflate, depress or cause fluctuations in the price of such security;
- o) encouraging the clients by an intermediary to deal in securities solely with the object of enhancing his brokerage or commission;
- p) an intermediary predating or otherwise falsifying records such as contract notes.
- q) an intermediary buying or selling securities in advance of a substantial client order or whereby a futures or option position is taken about an impending transaction in the same or related futures or options contract.
- r) planting false or misleading news which may induce sale or purchase of securities.
- s) mis-selling of units of a mutual fund scheme;

*Explanation.-* For the purpose of this clause, "mis-selling" means sale of units of a mutual fund scheme by any person, directly or indirectly, by–

- i. making a false or misleading statement, or
  - ii. concealing or omitting material facts of the scheme, or
  - iii. concealing the associated risk factors of the scheme, or
  - iv. not taking reasonable care to ensure suitability of the scheme to the buyer
- t) illegal mobilization of funds by sponsoring or causing to be sponsored or carrying on or causing to be carried on any collective investment scheme by any person.

*Explanation.-* For the purposes of this sub-regulation, for the removal of doubts, it is clarified that the acts or omissions listed in this sub-regulation are not exhaustive and that an act or omission is prohibited if it falls within the purview of above para (B) (Regulation 3 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003), notwithstanding that it is not included in this sub-regulation or is described as being committed only by a certain category of persons in this sub-regulation.

## **6. PROHIBITION ON DEALING, COMMUNICATION OR COUNSELING ON MATTERS RELATING TO INSIDER TRADING**

No insider when in possession of unpublished price sensitive information shall:

- either on his behalf, or on behalf of any other person, deal in securities on the Company; or



communicate or counsel, directly or indirectly, any unpublished information to/from any person.

**7. RESTRICTIONS AND PROCEDURE FOR DIRECTORS, OFFICERS AND DESIGNATED PERSONS WHILE DEALING IN COMPANY SECURITIES**

Designated Persons may deal in Securities subject to compliance with the Regulations and this Policy.

**A. PROHIBITION IN DEALING IN SECURITIES OTHER THAN DURING A VALID TRADING WINDOW**

All Designated Persons shall conduct all their dealings in the securities of the Company only in a valid trading window within the threshold limit prescribed hereunder and shall not deal in any transactions involving the purchase or sale of the Company's securities during the period when the trading window is closed.

The trading window restrictions shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company.

In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.

**B. VALID TRADING WINDOW FOR DEALING IN SECURITIES OF THE COMPANY**

- Trading window means a period other than the prohibited period.
- Prohibited period means:
  - a. The period beginning with the day when the intimation of the Board/ Committee meeting is given to the Stock Exchanges to consider any price sensitive information and ending after 48 hours from the time the Price Sensitive information is made generally available to the public and;
  - b. Such other period as may be specified by the Compliance Officer from time to time in consultation with the Chairman and/or Managing Director.
- The Trading Window shall be closed *inter alia* for the following:
  - a. Declaration of Financial results (quarterly, half-yearly and annual),
  - b. Declaration of dividends (interim and final),
  - c. Issue of securities by way of public/rights/bonus etc.,
  - d. Any major expansion plans or execution of new projects,
  - e. Amalgamation, mergers, takeovers and buy-back,
  - f. Disposal of the whole or substantially whole of the undertaking,
  - g. Any major changes in policies, plans or operations of the company,
  - h. For such period and for any such other material event (in accordance with the listing agreement) as may be deemed fit by the Compliance Officer;

- The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.

## **C. PROCEDURES FOR DEALING IN THE SECURITIES OF THE COMPANY**

### **i. Pre-Clearance for Trading in Securities of the Company**

All Designated Persons who intend to deal in securities of the Company in their own name or in the name of their dependent family members (above the minimum threshold limit), shall obtain pre-clearance of the transactions as per the pre-dealing procedure as described hereunder.

However, no Designated Person shall apply for pre-clearance of any proposed trade if such person is in possession of Unpublished Price Sensitive Information even if the trading window is not closed.

The Designated Person shall deal in the securities only once the proposed transaction is approved by the Compliance Officer. In case of Compliance Officer; the Chairman & Managing Director shall pre-clear the transaction.

### **ii. Procedure for Pre-clearance of Trade**

- An application for pre-clearance of trade shall be made by a Designated Person(s) in **Form G** to the Compliance Officer.
- An undertaking in **Form H** shall be executed in favour of the Company by such person(s), incorporating, inter-alia, the following clauses, as may be applicable:
  - a. That the Designated Person does not have any access or has not received “Price Sensitive Information” up to the time of signing the undertaking;
  - b. That in case he/she has access to or receives “Price Sensitive Information” after the signing of the undertaking but before the execution of the transaction, he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public;
  - c. That he/she has not contravened the “Policy for regulating and reporting trading by insiders” as notified by the Company from time to time; and
  - d. That he/she has made a full and true disclosure in the matter.
- The Compliance Officer shall consider the application made as above and shall issue the pre-clearance approval as specified in **Form I**, within **two trading days** of the receipt of application for pre-clearance unless he/she is of the opinion that grant of such approval would result in a breach of the provisions of this Policy, or the Regulations or the Companies Act, 2013. The decision of the Compliance Officer in this regard will be final and binding.

### **iii. Threshold Limit**

Pre-clearance **shall not** be necessary, if the aggregate trade value of shares to be traded in a **quarter** in one or more transactions **does not exceed INR 1,000,000/-** (Rupees Ten Lakhs Only).

**iv. Validity of Pre-clearance Approval**

Designated Person(s) shall execute their order in respect of securities of the Company **within seven trading days** after the approval of pre-clearance is given and shall file **within two trading days** of execution of the trade, the details of such trade, with the Compliance Officer in **Form J**.

If the order is not executed within the time specified, he/she shall obtain fresh pre-clearance again. In case the transaction is not undertaken, a report to that effect shall be filed.

**v. Restricted period**

All Designated Persons who buy or sell any number of securities of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the **next six months** following the prior transaction.

All Designated Persons shall also not take positions in derivative transactions in the securities of the Company at any time. In case of any contra trade being executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

In case of subscription in the primary market and allotment of shares pursuant to exercise of ESOPs, the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

**D. TRADING PLAN**

An insider is entitled to formulate a trading plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

Trading Plan shall:

- a. not entail commencement of trading on behalf of the Insider earlier than six months from the public disclosure of the Plan.
- b. not entail trading for the period between twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
- c. entail trading for a period of not less than twelve months;
- d. not entail overlap of any period for which another trading plan is already in existence;
- e. set out either the value of trades to be effected or the number of securities to be traded

along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and

- f. not entail trading in securities for market abuse.

The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of the SEBI Insider Trading Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

However, the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement of the plan ought to be deferred until such Unpublished Price Sensitive Information becomes generally available information.

Upon approval of the trading plan, the Compliance Officer shall notify the plan to the Stock Exchange(s) on which the securities are listed.

## **8. DISCLOSURES**

### **A. INITIAL DISCLOSURES**

- a. Every Promoter, Key Managerial Personnel, Designated Person and Director of the Company shall disclose in **Form A**, the number of securities of the Company held by him, his immediate relatives and by any other person for whom he takes trading decisions, as on the date of the Regulations taking effect, to the Company **within thirty days** of the Regulations taking effect.
- b. Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter or a Designated Person shall disclose in **Form B**, the number of securities of the Company held by him, his immediate relatives and by any other person for whom he takes trading decisions, as on the date of appointment, to the Company **within seven days** of such appointment or becoming a Promoter / Designated Person.

### **B. CONTINUAL DISCLOSURES**

Every Promoter, employee and director of the Company shall disclose in **Form C**, to the Company, the number of such securities acquired or disposed of by him, his immediate relatives and by any other person for whom he takes trading decisions, **within two trading days** of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any **calendar quarter**, aggregates to a traded value **in excess of Rupees Ten Lakhs** or such other value as may be specified.

### **C. DISCLOSURE BY THE COMPANY**

The Company shall notify the particulars of disclosures made under Clause (8)(B) to the Stock Exchange(s) on which the securities of the Company are listed, **within two trading days** of the

receipt of the disclosure or from becoming aware of such information.

#### **D. DISCLOSURES BY OTHER CONNECTED PERSONS**

The Company may, at its discretion require any other Connected Person or class of Connected Persons to make disclosures of holdings and trading in securities of the Company by him, his immediate relatives and by any other person for whom he takes trading decisions in **Form D**, at such frequency as may be determined by the Company in order to monitor compliance with the Policy and the SEBI Insider Trading Regulations.

#### **E. PERIODICAL DISCLOSURES**

All Designated Persons shall disclose to the Company on a **half yearly** basis, the details of securities transacted by him, his immediate relatives and by any other person for whom he takes trading decisions, during the period from 1<sup>st</sup> April to 30<sup>th</sup> September **in Form E, within fifteen days** from the end of half year ended September.

#### **F. ANNUAL DISCLOSURES**

All Designated Persons shall submit to the Company an **annual statement** of details of securities transacted by him, his immediate relatives and by any other person for whom he takes trading decisions **in Form F, within thirty days** from the end of financial year.

#### **G. MISCELLANEOUS**

If trading in derivatives of the Company's securities is permitted by any law for the time being in force, the disclosures of trading in securities shall also include trading in derivatives of securities of the Company and the traded value of the derivatives shall be taken into account for purposes of this Clause.

The Compliance Officer shall maintain records of all the disclosures/ declarations/undertakings/ forms as mentioned in this Policy, as received from time to time, for a period of **five years**.

The Compliance Officer shall report to the Board of Directors for the purpose of the Policy and in particular, shall provide reports to the Chairman of the Audit Committee and to the Chairman of the Board **annually**.

#### **9. PENALTY**

1. Every Employee and Designated Person shall be individually responsible for complying with the applicable provisions of this Policy (including to the extent the provisions hereof are applicable to their immediate relatives).
2. The persons who violate this Policy shall, in addition to any other penal action that may be taken by the Company pursuant to law, also be subject to disciplinary action which in respect of an employee may include wage freeze, suspension or termination of employment. Action taken by the Company for violation of the Policy against any person will not preclude SEBI from taking any action for violation of the Regulations or any other applicable laws/rules/regulations.
3. In case it is observed by the Compliance Officer that there has been a violation of the Policy by any person, he/she shall forthwith inform the Audit Committee of the Company about the

violation. The penal action will be initiated on obtaining suitable directions from the Board of Directors.

4. The Compliance Officer shall simultaneously inform SEBI about such violation. The person, against whom information has been furnished by the Company/Compliance Officer to SEBI for violations of the Policy, shall provide all information and render necessary co-operation as may be required by the Company/Compliance Officer or SEBI in this connection.
5. The action taken by the Company shall not preclude SEBI from taking any action in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

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**FORM A**

*Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015  
[Regulation 7 (1) (a) read with Regulation 6 (2) - Initial Disclosure]*

Name of the company: MILLTEC Machinery Limited  
ISIN of the company: INE687001017

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/KMP/Directors/immediate relative to/others etc.)	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives of the company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Open Interest of the Future contracts held as on the date of regulation coming into force			Open Interest of the Option Contracts held as on the date of regulation coming into force		
Contract Specifications	Number of units (contracts* lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts* lot size)	Notional value in Rupee terms
6	7	8	9	10	11

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options.

**Name & Signature:**

**Designation:**

**Date:**

**Place:**

**FORM B**

*Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015  
[Regulation 7 (1) (b) read with Regulation 6(2) - Disclosure on becoming a  
Director/KMP/Promoter]*

Name of the company: MILLTEC Machinery Limited  
ISIN of the company: INE687001017

**Details of Securities held on appointment of Key Managerial Personnel (KMP), Director or upon becoming a Promoter of the company and other such persons as mentioned in Regulation 6(2).**

Name, PAN CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate relatives to/ others etc.)	Date of appointment of Director /KMP/ OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholdin g
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5	6

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives of the company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director /KMP			Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director /KMP		
Contract Specificati ons	Number of units (contracts* lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts* lot size)	Notional value in Rupee terms
7	8	9	10	11	12

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

**Signature:**

**Name:**

**Designation:**

**Date:**



**Place:**

**FORM C**

*Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,  
2015 [Regulation 7 (2) read with Regulation 6(2) - Continual Disclosure]*

Name of the company: MILLTEC Machinery Limited ISIN of the  
company: INE687O01017

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/DIN, & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate relative to / others etc.)	Securities held prior to acquisition/ disposal		Securities acquired/Disposed				Securities held post acquisition/ disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/public rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.)
		Type of security (For eg. Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/Sale/ Pledge / Revoke/ Invoke)	Type of security (For eg. Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2)

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of Contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

*Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.*

Date:  
Place:

Name & Signature:  
Designation:

**FORM D**

*Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,  
2015 Regulation 7(3) – Transactions by Other connected persons as identified by the  
Company*

Name of the company: MILLTEC Machinery Limited

ISIN of the company: INE687O01017

**Details of trading in securities by other connected persons as identified by the company**

Name, PAN, CIN/DIN & address with contact nos. of connected persons, as identified by the company	Connecti on with company	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimati on to compan y	Mode of acquisition/disposal (on market/public/rights / Preferential offer/off market/Inter-se transfer, ESOPs etc.)
		Type of security (For eg. Shares, Warrants, Convertible Debentures etc.)	No. and % of sharehold ing	Type of security (For eg. Shares, Warrants, Convertible Debentures etc.)	No .	Valu e	Transactio n Type (Buy/ Sale/ Pledge / Revoke/ Invoke)	Type of security (For eg. Shares, Warrants, Convertible Debentures etc.)	No. and % of sharehold ing	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of trading in derivatives by other connected persons as identified by the company

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of Contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options.

Date:

Place:

Name & Signature:

Designation:

FORM E

**[Clause 8(E) of Code of Conduct for Prevention of Insider Trading of MILLTEC Machinery Limited]**

The Compliance Officer  
MILLTEC Machinery Limited

**I. PERIODIC STATEMENT OF SHAREHOLDING IN THE COMPANY BY DESIGNATED PERSON:**

Name, Designation, Dept	Category of Person (Directors/KMP/ Senior Managerial Personnel/employee/ immediate relatives/ others etc)	No. of shares held on 1 <sup>st</sup> April 201...	No. of shares bought upto 30 <sup>th</sup> Sept, 201..	No. of shares sold upto 30 <sup>th</sup> Sept, 201..	No. of shares held on 30 <sup>th</sup> Sept 201...	Folio No./ DP ID/Client ID

**II. PERIODIC STATEMENT OF SHAREHOLDING IN THE COMPANY BY DEPENDENT FAMILY MEMBERS:**

Name of dependent family member	Relationship with Designated Person	No. of shares held on 1 <sup>st</sup> April 201...	No. of shares bought upto 30 <sup>th</sup> Sept, 201..	No. of shares sold upto 30 <sup>th</sup> Sept, 201..	No. of shares held on 30 <sup>th</sup> Sept 201...	Folio No./ DP ID/Client ID

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Note:** To be submitted within fifteen days of end of half year ended September.

I/We declare that my/our holding of the shares is in compliance with the Code of Conduct for Prevention of Insider Trading of the Company.

**Signature**

**Name**

**Designation**

\_\_\_\_\_

**Signature (On behalf of Dependent Family Members)**

\_\_\_\_\_

**Date:**

**Place:**

**FORM F**

**ANNUAL DISCLOSURE**

The Compliance Officer  
MILLTEC Machinery Limited

**I. STATEMENT OF SHAREHOLDING IN THE COMPANY OF DESIGNATED PERSONS:**

Name, Designation, Dept	Category of Person (Directors/KMP/ Senior Managerial Personnel/employees/ Immediate relatives/ others, etc)	No. of shares held on 1 <sup>st</sup> April 201...	No. of shares bought during the year	No. of shares sold during the year	No. of shares held on 31 <sup>st</sup> March 201..	Folio No./ DP ID/ Client ID

**II. STATEMENT OF SHAREHOLDING IN THE COMPANY BY DEPENDENT FAMILY MEMBERS:**

Name of dependent family member	Relationship with Designated Person	No. of shares held on 1 <sup>st</sup> April 201...	No. of shares bought during the year	No. of shares sold during the year	No. of shares held on 31 <sup>st</sup> March 201..	Folio No./ DP ID/Client ID

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Note:** To be submitted within thirty days of end of financial year.



I/We declare that my/our holding of the shares is in compliance with the Policy for Regulating and Reporting Trading by Insiders of the Company.

**Signature** \_\_\_\_\_  
**Name**  
**Designation**

**Signature (On behalf of Dependent Family Members)** \_\_\_\_\_

**Date:**  
**Place:**

**FORM G****APPLICATION FOR PRE-CLEARANCE**

Date:

To,  
The Compliance Officer,  
**MILLTEC Machinery Limited**

Dear Sir/Madam,

**Application for Pre-clearance of trade in securities of the Company**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's **Policy for Regulating and Reporting Trading by Insiders**, I seek approval to purchase / sale / subscription of \_\_\_\_\_ equity shares of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
3.	Number of securities held as on date	
4.	Folio No. / DP ID / Client ID No.)	
5.	Nature of transaction	
6.	Proposed date of dealing in securities	
7.	Estimated number of securities proposed to be acquired/subscribed/sold	
9.	Current market price (as on date of application)	
10.	Whether the proposed transaction will be through stock exchange or off-market deal	

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

(Signature of Employee)

\_\_\_\_\_

**FORM H**

**UNDERTAKING TO BE SUBMITTED ALONG WITH THE APPLICATION FOR PRE- CLEARANCE**

To,  
The Compliance Officer  
MILLTEC Machinery Limited

I, \_\_\_\_\_ (Name, designation and dept.),  
residing at \_\_\_\_\_, am desirous of trading in  
\_\_\_\_\_ shares of the Company as mentioned in my application dated \_\_\_\_\_ for  
pre-clearance of the transaction.

As required by the Policy for Regulating and Reporting Trading (Policy) by Insiders of MILLTEC Machinery Limited, I hereby state that:

- (a) I have no access to nor do I have any information that could be construed as unpublished price sensitive information (as defined in the Company's Policy) up to the time of signing this Undertaking;
- (b) In the event that I have access to or received any information that could be construed as "price sensitive information" as defined in the Policy, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public;
- (c) I have not contravened the provisions of the Policy as notified by the Company from time to time;
- (d) I am aware that, I shall be liable to face penal consequences as set forth in the Policy including disciplinary action under the Policy of the Company, in case the above declarations are found to be misleading or incorrect at any time;
- (e) I undertake to submit the necessary report within two trading days of execution of the transaction/a Nil report if the transaction is not undertaken;
- (f) I agree to comply with the provisions of the Policy and provide any information relating to the trade as may be required by the Compliance Officer and permit the Company to disclose such detail to SEBI, if so required by SEBI.
- (g) I declare that I have made full and true disclosure in the matter.

Date:

Signature:

**FORM I**

**PRE- CLEARANCE APPROVAL**

To,  
Name:  
Designation:  
Place:

With reference to your application dated ..... seeking approval for undertaking certain transactions in securities of the Company detailed therein, please be informed that you are hereby authorised/not authorised to undertake the transaction(s) as detailed in your said application.

This approval is being issued to you based on the various declarations, representations and warranties made by you in your said application.

This approval letter is valid till \_\_\_\_\_ (i.e. for seven trading days from date hereof). If the approved transaction is not executed within the aforesaid timeline, fresh pre-clearance would be required for trades to be executed.

Further, you shall file within two trading days of the execution of the trade, the details of such trade, with the Compliance Officer in **Form J**. In case the transaction is not undertaken, a report to that effect along with the reasons for the same shall be filed in the said Form within two trading days from the expiry of the pre-clearance order.

Yours faithfully,  
**For MILLTEC Machinery Limited**

**Compliance Officer**

Date: \_\_\_\_\_  
Encl.: Format of Form J

**FORM J**

**DISCLOSURE OF PRE-APPROVED TRANSACTIONS**

Date: \_\_\_\_\_

To,

The Compliance Officer  
MILLTEC Machinery Limited

Dear Sir,

**DETAILS OF PRE-APPROVED TRANSACTION**

Ref: Your Approval letter No. \_\_\_\_\_ dated \_\_\_\_\_

I hereby inform you that, I:

- have not bought/sold/subscribed any Securities (including derivatives) of the Company
- have bought/sold/subscribed to \_\_\_\_\_ Securities (including derivatives) as mentioned below on

Name of holder	** First or joint holder	No. of Securities (including derivatives) dealt with	Bought/ Sold/ Subscribed	DP ID/CLIENT ID (electronic form) or Folio no. for physical where the Sec. will be debited or credited	Price (INR)

\*\* "F" first holder — "J" joint holder

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 5 (Five) years and produce to the Compliance Officer/SEBI any of the following documents:

1. Broker's contract note
2. Proof of payment to/from brokers
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction)

I declare that the above information is correct and that no provisions of the Company's Code of Conduct on Prevention of Insider Trading and/or applicable laws/regulations have been contravened for effecting the above said transaction(s).

I agree not to buy/sell the above securities (including derivatives) for a minimum period of six months from the date of the aforesaid transaction.

In case there is any urgent need to sell these securities (including derivatives) within the said period, I shall approach the Company (Compliance Officer) for necessary approval (applicable in case of purchase / subscription).

Yours truly,

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

#Emp No: \_\_\_\_\_

#Dept/ Div. \_\_\_\_\_