

# Mid India Industries Limited

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

### (Refer Regulation 12 of the SEBI (Prohibition of Insider Trading Regulations, 1992)

This Code of Conduct ("the code") is framed to prevent insider trading and also further to the SEBI (Prohibition of Insider Trading) Regulations, 1992 ("the Regulations") as amended to date. The Code is to be implemented specifically with reference to the securities of Mid India Industries Limited ("Mid India" or "the Company").

Recipients should carefully read the Regulations in details (a copy of which is also available at the SEBI website [sebi.gov.in](http://sebi.gov.in) or [sebi.com](http://sebi.com) or from the Compliance Officer of the Company) and contact the Compliance Officer for any clarification or guidance that may be needed.

Attention is particularly drawn to the punitive and other consequences of any violation of this Code and / or of the Regulations under this Code and / or the Regulations, the SEBI Act and other relevant provisions of law.

Terms used in this Code, but not defined herein, shall have the definition as given in the Regulations or the SEBI Act, 1992.

The Company may at its discretion and/or as mandated by law, make changes to this Code from time to time and shall notify the changes/ revised Code to the persons to whom this Code is applicable by email and such changes shall take place with effect from issuance of the emails or from such date as specified in the notification.

### 1.0 Compliance Officer

1.1 The Company has appointed **Mr. Shailendra Agrawal, Company Secretary** of the Company, as the Compliance Officer, who shall act as such for the purposes of this Code and under the Regulations and shall report to the Managing Director of the Company.

1.2 The Compliance Officer is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing of designated employees and their dependents trades (directly or through respective department heads as decided by the Company), monitoring of trades and the implementation of the Code under the overall supervision of the Board of the Company.

Explanation: For the purpose of this Code, the term „designated employee“ shall include:-

- (i) Officers comprising the top three tiers of the Company management and all employees in the finance department.
- (ii) The employees designated by the Company to whom these trading restrictions shall be applicable, keeping in mind the objectives of this Code of Conduct.

1.3 The Compliance Officer shall maintain a record of designated employees and any changes made in the list of designated employees.

1.4 The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Company's code of conduct.

### 2.0 Preservation of "Price Sensitive Information"

2.1 Employees/ director shall maintain the confidentiality of all Price Sensitive Information. Employees/ directors shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.

## 2.2 Need to know

2.2.1 Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty.

2.2.2 All non-public information directly received by any employee should immediately be reported to the head of the department.

## 2.3 Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security to login and password etc.

## 3.0 Prevention of misuse of "Price Sensitive Information"

3.1 All directors/ officers and designated employees of the Company shall be subject to trading restrictions as enumerated below:-

### 3.2 Trading window

3.2.1 The trading window shall commence from date of intimation to stock exchange in respect of various price sensitive matters including those referred to in para 3.2.3.

3.2.2 When the trading window is closed the directors, officers and designated employees shall not trade in the Company's securities in such period.

3.2.3 The trading window shall be, inter alia, closed at the time of:-

- (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 / right/ bonus etc.
- (d) Any major expansion plans or execution of new project.
- (e) Amalgamation, mergers, takeovers and buy back.
- (f) Disposal of whole or substantially whole of the undertaking.
- (g) Any changes in policies, plans or operations of the Company
- (h) Such other events or circumstances as may be notified by the Compliance Officer.

3.2.4 The trading window shall be opened 24 hours after the information referred to in Para 3.2.3 is made public.

3.2.5 All directors/ officers/ designated employees of the Company shall conduct all their dealings in the securities of the Company only in a valid trading window and not deal in any transaction involving the purchase or sale of the Company's securities during the periods when trading window is closed, as referred to in Para 3.2.3 to 3.3.4 or during any other period as may be specified by the Company from time to time.

### 3.3 Pre clearance of trades

3.3.1 All directors/ officers/ designated employees of the Company and their dependents who intend to deal in the securities of the Company should pre- clear the transactions as per the pre-dealing procedure as described hereunder.

3.3.2 An application may be made in such form as the Company may notify in this regard, to the Compliance Officer indicating the estimated number of securities that the designated employee/ officer/ director intends to deal in, the details

as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required be any rule made by the Company in this behalf.

3.3.3 An undertaking shall be executed in favour of the Company by such designated employee/ director/ officer incorporating, inter alia, the following clauses, as may be applicable:

- (a) That the employee / director/ officer does not have any access or has not received "Price Sensitive Information" upto the time of signing the undertaking.
- (b) That in case the employee/ director/ officer 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 become public.
- (c) That he/she has not contravened the Code of Conduct for prevention of insider trading as notified by the Company from time to time.

#### **4.0 Other restrictions**

4.1 All directors/ officers/ designated employees and their dependents shall execute their order in respect of securities of the Company within one week after the approval of pre clearance is given. If the order is not executed within one week after the approval is given the employee/ director must pre clear the transaction again.

4.2 All directors/ officers/ designated employees who buy or sell any number of share of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during next six months following the prior transaction. All directors/ officers/ designated employees shall also not take position in derivative transactions in the shares of the Company at any time.

In the case of subscription in the primary market (Initial Public Offer), 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.

4.3 In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/ her reasons in this regard.

#### **5.0 Reporting requirements for transactions in securities**

5.1 All directors/ officers/ designated employees of the listed company shall be required to forward following details of their securities transactions including the statement of dependent family members (as defined by the Company) to the Compliance officer

- (a) All holdings in securities of that company by directors/ officers/ designated employees at the time of joining the Company.
- (b) Periodic statement of any transactions in securities (the periodicity of reporting is once every 6 months); and
- (c) Annual statement of all holding in securities in every April.

5.2 The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the directors/ officers/ designated employees for a minimum period of three years.

5.3 The Compliance officer shall place before the Managing Director or a Committee specified by the Company, on a monthly basis all the details of the dealing in the securities by employees/ director/ officer of the company and the accompanying documents that such persons had executed under the pre dealing procedure as envisaged in this Code.

#### **6.0 Penalty for contravention of Code of Conduct**

6.1 Any employee/ officer/ director who trades in securities or communicates any information for trading in securities in contravention of the Code of Conduct may be penalized and appropriate action may be taken by the Company.

6.2 Employees/ officer/ directors of the Company who violate the Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligible for future participation in employee stock option plans etc.

6.3 The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 1992.

**7.0 Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992**

In case it is observed by the Company/ Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 1992, SEBI shall be informed by the Company.

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