

# Insider Trading - Caution

## MPL Code of Conduct for Prevention of Insider Trading As revised and approved by the Board of Directors on 28th August, 2014

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, has been amended from time to time (hereinafter referred to as the 'Regulations') in terms of which the Company is required to frame a Code of Conduct for prevention of insider trading by employees of the Company, including the Directors, in relation to the securities of the Company.

In line with the said Regulations, a Revised Code of Conduct (hereinafter referred to as the 'Code') was adopted by the Board of Directors of the Company at their meeting held on 28<sup>th</sup> August, 2014:

For the purpose of the Code:

1. **'Securities' shall include shares of the Company and related stock market derivatives**
2. **'Designated Employees' shall cover the following:**
  1. Directors, Executive and Non-Executive;
  2. Managers in the division of Insulated and houseware products.
  3.
    1. Managers in Finance \* and Secretarial functions # located at the corporate office / Registered office.;
    2. Lady Confidential Secretaries / Lady Administrative Assistants (designated as Office Associates) to Executive Directors, Managers, Divisional, Chief Executives and in Finance & Secretarial Functions located at the Corporate Office and Registered Office.;
and
  3. Such other employees as may be determined by the audit committee from time to time.

*\* Covers Corporate Finance, Corporate Accounting, Corporate Taxation & Finance Function at the Corporate Office and Registered Office.*

*# Includes managers in Secretarial located at the Corporate Office and Registered Office.*

3. 'Dependant' mean dependant parents, dependant children under the age of 21 years, dependant spouse and any other person(s) dependant on the Designated Employee.

- TO BUY / SELL SECURITIES OF THE COMPANY BY EMPLOYEES INCLUDING DIRECTORS
- RESTRICTION TO BUY / SELL SECURITIES BY DESIGNATED EMPLOYEES AND / OR THEIR DEPENDANTS
- DISCLOSURES
- PENALTIES FOR CONTRAVENTION
- GENERAL

## **1. PROHIBITION TO BUY / SELL SECURITIES OF THE COMPANY BY EMPLOYEES INCLUDING DIRECTORS**

Employees, including Directors, when in possession of any unpublished price sensitive information, as defined in the Regulations, pertaining to the Company, shall not:

- Buy / sell securities of the Company, either on their own behalf or on behalf of any other person.
- Communicate, counsel or procure any unpublished price sensitive information to / from any person.

## **2. RESTRICTION TO BUY / SELL SECURITIES BY DESIGNATED EMPLOYEES AND / OR THEIR DEPENDANTS**

**2.1 Designated Employees shall not** enter into derivative transaction(s) at any

time with respect to the securities of the Company.

**2.2 Designated Employees shall not buy / sell securities of the Company during Closure of the 'Trading Window', i.e. the period during which trading in the securities of the Company is prohibited.**

Trading Window shall be closed during the following periods:

- a. From 1st May up to twenty-four hours after communication of the annual / fourth quarter financial results to the Stock Exchanges\*.
- b. From 1st August up to twenty-four hours after communication of the first quarter financial results to the Stock Exchanges\*.
- c. From 1st November up to twenty-four hours after communication of the second quarter and half-yearly financial results to the Stock Exchanges\*.
- d. From 1st February up to twenty-four hours after communication of the third quarter financial results to the Stock Exchanges\*.

*\* where the Company's securities are listed.*

- e. From the date of circulation of the agenda for the meeting of the Board of Directors, in which any material, price sensitive and unpublished event, including the following, are proposed. The closure of the Trading Window for these events will be advised by the Compliance Officer appointed by the Board of Directors for the purpose of this Code:

- Proposal in respect of interim / final dividend;
- Proposal in respect of issue of securities by way of public/ rights/ bonus etc.;
- Proposal in respect of significant expansion plans or execution of new large projects;
- Proposal in respect of amalgamation, mergers, takeovers;
- Proposal in respect of disposal of whole or substantially the whole of the undertaking.

The Trading Window shall open 24 hours after communication of the decision of the Board of Directors in respect of the above events to the Stock Exchanges where the Company's securities are listed.

**2.3 Designated Employees shall require prior clearance, as specified in Clause**

2.6, for purchase of securities of the Company, exceeding 50,000 shares in a calendar month (either in one transaction or in a series of transactions). It is clarified that exercise of Options under the Employee Stock Option Schemes

(ESOS) shall not require any such clearance. Such prior clearance shall be required also for sale of securities of the Company in a calendar month (either in one transaction or in a series of transactions) exceeding 50% of the shares acquired under ESOS and held or 50,000 shares, whichever is higher.

**Dependants of Designated Employees shall require such prior clearance** for purchase / sale of securities of the Company, exceeding 50,000 shares in a calendar month (either in one transaction or in a series of transactions).

2.4 **Designated Employees shall hold the shares** allotted upon exercise of Options under ESOS for a minimum period of 30 days from the date of allotment thereof ('Minimum Holding Period'). In case of personal emergency, prior clearance shall be required as specified in Clause 2.6, for relaxation of the provision relating to the Minimum Holding Period.

2.5 **Designated Employees** who buy or sell any number of shares of the Company **shall not enter into an opposite transaction** i.e. sell or buy any number of shares **within 6 months following a prior transaction**. It is clarified that exercise of Options under ESOS will not be covered under such restriction. However on sale of shares allotted on exercise of Options, any subsequent purchase will be subject to the aforesaid restriction on entering into opposite transaction.

In case of personal emergency, prior clearance shall be required as specified in Clause 2.6, for relaxation of the provision relating to sale of shares.

2.6 Prior clearance, referred to in Clauses 2.3 to 2.5, is required to be taken by Designated Employees from the Compliance Officer and a Director. In respect of the Compliance Officer, prior clearance is required to be taken from the Chairman of the Company.

2.7 Purchase / sale transactions for which prior clearance has been obtained by Designated Employees shall be executed within seven days of such clearance, failing which fresh sanction will be required to be taken, as specified in Clause 2.6.

### **3. DISCLOSURES**

Designated Employees shall make the following disclosures of shares and other securities held in the Company by them and their Dependants, to the Compliance Officer:

3.1 Annual disclosure of number of shares and other securities held as on 31st March each year, including details of purchase / sale of shares and other securities during the financial year. This disclosure shall be made within 30 days from the close of each financial year.

3.2 Changes in shareholding of Directors, Company Secretary and their Dependants, when such change exceeds Rs. 5 lakhs in value or 25,000 shares or 1% of the total shares of the Company, or such other limit as may be prescribed under the Regulations. This disclosure shall be made within 2 working days of such change to the Company and to the Stock Exchanges where the Company's securities are listed.

Changes in shareholding of Designated Employees (other than Directors or Company Secretary), when such change exceeds 50,000 shares. This disclosure shall be made to the Company within 4 working days of such change.

3.3 Disclosure shall be required to be made to the Company by persons upon becoming Directors or Company Secretary within 2 working days in respect of -

- their shareholding in the Company and that of their Dependants
- their own and their Dependants' position in derivatives with respect to the securities of the Company.

Disclosure shall also be required to be made to the Company by persons, upon becoming Designated Employees, of the number of shares and other securities held in the Company, within 4 working days of becoming Designated Employees.

### **4. PENALTIES FOR CONTRAVENTION**

Violation of this Code will invite severe disciplinary action. Such disciplinary action will be irrespective of action that may be taken by SEBI under the Regulations.

## **5. GENERAL**

A copy of the Regulations is enclosed. Employees are advised to peruse the Regulations carefully and acquaint themselves with all the provisions contained therein. Clarification / assistance as necessary may be sought from the Compliance Officer.

Place: Thane

Date: 28th August, 2014

**By order of the Board,**

**For Milton Plastics Limited**

**Director.**