

## 1.1 CODE OF CONDUCT

### **PURPOSE**

The objective of this Code of Conduct is to communicate the guiding principles for conducting business, and more importantly, to ensure their compliance with legal requirements. It is vital to the success of Miven Machine Tools Limited that business is conducted with integrity and in compliance with all applicable legal and regulatory requirements. This Code of Conduct sets out the fundamental standards to be followed by employees in their everyday actions on behalf of the company and seeks to promote honest and ethical conduct. The code is applicable to the following persons (the Officers):

- (a) Members of the Board of Director of the Company and
- (b) Senior Management Personnel i.e. all members of management one level below the Executive Directors including all functional heads.

All the concerned are expected to read and understand this Code and to uphold standards set out under this, in his/her day-to-day activities. As the principles set out under this are general in character, Officers should also review the Company's other applicable Policies and Procedures for more specific instructions. In case of any difficulty in interpretation or allied matters they may contact the Company Secretary. This Code is in addition to and not in derogation with any Act, law, rules and regulations, and all other applicable Policies and Procedures adopted by the Company that governs the conduct of its officers.

It is obligatory on the part of every Officer to make an annual disclosure under this Code affirming their adherence to the Code on annual basis. This disclosure shall be made to the Company Secretary on or before 30th April, for the financial year preceding the date as per the format specified in **Annexure 1**.

### **DESCRIPTION**

#### **Integrity & Professionalism**

All employees are expected to ensure that at all times business and its related activities are carried out with integrity, honesty and in a professional manner that protects MMTL's good public image and reputation. Employees shall build relationships with customers, vendors and fellow employees based on trust and treat every individual with respect and dignity in the conduct of company business. Employees should not give, take or exchange material gratifications to gain business advantages.

Adequate care should be taken to ensure that the relationship between the company (including its representatives and employees) and the company's customers, vendors and other stakeholders including authorities of government bodies is not only transparent and professional, but also perceived to be so. Employees and members of their families should not directly or indirectly, accept / give gifts, payments, favours, or special considerations, from / to customers, prospects, or vendors beyond the common courtesies of accepted

business practices. It is the duty and responsibility of the employee to bring to the notice of the management, any involvement of a friend or a relative of that employee in a direct or indirect relationship which impacts the business of MMTL. Such information should be immediately reported as and when the employee is aware of such an involvement.

### **Abiding the law & Compliance**

MMTL as an organisation, its management and its employees shall abide by all applicable statutes, laws and Government in letter and spirit. All employees shall become familiar with and comply with legal requirements and company policy and procedures.

An employee shall promptly report to the company any violations of law or ethical principles or Company policies that come to the employee's attention, and cooperate fully in any audit, enquiry, review or investigation by the company.

### **Commitment & Conflict of Interest**

All employees must maintain implicit loyalty to the company and not undertake other professional assignments or take up any work which is professional / business in nature without permission from the Directors of the company.

Employees shall avoid actual or potential conflicts of interest with the company, or the appearance thereof, in all transactions provide accurate and reliable information in records submitted.

### **Intellectual Property**

All employees shall mutually share professional experiences / knowledge/ expertise with other colleagues in the Company. All works of authorship including inventions, improvements, and developments which are created as a part of ones' dues, whether solely or jointly with others, shall be treated as the exclusive property of the company.

## **Confidentiality and Non-Disclosure Policy**

### **PURPOSE**

MMTL possesses valuable confidential information relating to its current and future businesses, employees, compensation, personnel information, customers, business plans, investments, transactions and general business operations. In the course of employment with the company employees may need to review, or use the company's confidential information and materials or to create new confidential information and materials for the company. Hence, it is necessary for MMTL to set out the obligations of the member to maintain confidentiality.

## **DESCRIPTION**

“Confidential information” shall mean and include, but not be limited to the company's database, product and property plans, protocols, prices, finances, marketing plans, business opportunities, personnel related information, sales and customer information, business policies, practices and strategies, information received from other entities which the company is obligated to keep confidential, and research and development results which have not been:

- Previously published or disclosed to the general public;
- Previously available without restrictions; and
- which information the company desires to protect against unrestricted disclosure or use.

All employees of MMTL shall:

- Not disclose any Confidential Information / Confidential Material of MMTL or its related third parties, to other third parties without the prior written authorisation of the company. However, the employee may disclose Confidential Information in accordance with judicial or other governmental orders, provided the employee shall give the company a reasonable notice, prior to such disclosure and shall comply with any applicable protective order or equivalent.
- Not use any Confidential Information or Confidential Materials of the Company for any purposes except those expressly contemplated by or as authorized by the Company.
- Take reasonable security precautions to keep secure the Confidential Information.
- Notify the Company immediately upon discovery of any unauthorized use or disclosure of Confidential Information or Confidential Materials, or any other breach of this Policy by any individual. Respect the confidential information of other parties with whom the company does business or competes and avoid any attempts at acquiring professional classified information by improper means.

## **1.2 CODE OF ETHICS**

### **1. Scope**

Each director must comply with the letter and spirit of this Code while acting in his capacity as a director of MMTL. Failure to comply with the Code will be treated as a matter of the utmost seriousness by the Board and the Company. If a director has any uncertainty about the application of the Code to a particular set of circumstances, prevailing or anticipated, he should promptly raise it with the Company Secretary, providing full disclosure of all necessary information, thereby allowing an informed decision to be reached by the Company. The director must respect the decision of the Company.

## **2. Good Faith**

The Board expects that each director will act in good faith on behalf of the Company, discharging his responsibilities with due care, competence and diligence, without misrepresenting material facts or allowing their independence of judgment to be subordinated by others. The powers conferred on directors must be exercised in the interest of MMTL and its shareholders, not in the interests of themselves or others.

## **3. Conflict of Interest**

A conflict is an occurrence that can arise in many ways and which may influence, or have the appearance of influencing the independent exercise of a director's judgment in relation to the best interests of MMTL because the personal interests of a director are adverse to or may appear to be adverse to the interests of the Company. Ideally conflicts should be avoided. Conflicts that cannot be avoided have to be managed to safeguard the reputation of the Company and the director. All directors must be in a position to identify potential conflicts, thereby avoiding them. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly (ideally within 24 hours) to the Company Secretary. This will allow the Company to manage the situation and all stakeholders involved.

For these reasons directors must adhere to the following restrictions:

### **3.1 Personal borrowing and lending:**

borrowing or lending cash or other assets from or to the Company is prohibited; \* borrowing or lending cash medicines or other assets to an existing or potential customer (meaning a customer actively pursued by the Company) or supplier of the Company is prohibited other than in the normal course of business with reputable entities such as financial institutions and provided the other provisions of this Code are met.

### **3.2 Improper personal benefit:**

A director must not receive any improper or undisclosed personal benefit as a result of his position as a director of the Company.

### **3.3 Gifts and benefits:**

Before a director may accept or provide a gift or benefit (which includes entertainment) from or to a customer of, or supplier to, the Company, government official or any person with decision-making authority over the Company, the director must be satisfied that:

- ✓ it is of reasonable and appropriate benefit or value consistent with established market practice and in the context of local custom and cost of living;
- ✓ it falls within normal business practices and or local customs;
- ✓ it is appropriate to the seniority of those involved;
- ✓ it is not a cash gift unless it is of small value and is part of a traditional festive custom;
- ✓ it was not solicited;

- ✓ it was not given or received in return for a contractual relationship or other benefit;
- ✓ if made public, it will not adversely affect the Company's reputation;
- ✓ it did not, to the best of the director's knowledge, contravene the business practices of the other party;
- ✓ it was not illegal and will not be seen by any government agency as an act of bribery or corruption.

Where refusal to accept a gift would cause offence, the gift may be accepted provided it is promptly declared to the Chairman of the Company and the Company Secretary who will record the gift. Unless the Board approves to the contrary, the gift or benefit cannot be retained by the director but must be transparently disposed of by the Company Secretary in consultation with the Chairman of Company and CEO for the benefit of the Company, which may include charitable purposes.

### **3.4 Securities Transactions:**

Any securities transaction including securities of the Company based on non-public price sensitive confidential information acquired through the Company is prohibited.

### **3.5 The application of this section on Conflicts applies to the directors' immediate family members:**

spouse, parents, children, siblings, whether by blood marriage or adoption or anyone residing in the home of the director. These relatives are known as connected or related persons.

### **3.6 Other Potential Conflicts of Interest:**

Most provisions in this Code could potentially give rise to a situation of conflict. Directors should reflect on that possibility when reviewing the other sections and act accordingly.

## **4. Travel**

Directors generally may not accept travel and accommodation offered by actual or potential customers or suppliers, either for business or personal use. If a director feels this principle should be waived he may seek prior dispensation from Chairman of the Board, copying the Company Secretary on the request.

## **5. Business activities outside MMTL**

MMTL expects its directors to avoid any activity, employment, position, association or investment that might conflict or appear to conflict with the business of MMTL. Before a person is appointed as a director he and MMTL will jointly and separately evaluate whether his existing business activities conflict or have the potential to conflict with the business interests of MMTL. After appointment that assessment remains a continuing obligation on both MMTL and the director. Non-executive / Independent directors must pay particular regard to this requirement given the potential for conflicting activity.

## **6. Corporate Opportunities**

Directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises and cannot place their personal interests above those of the Company on matters

of relevance to the Company. Directors are prohibited from: (a) taking for themselves personally opportunities that are discovered through the use of corporate property, information or the director's position; (b) using the Company's property, information, or position for personal gain; or (c) competing with the Company, directly or indirectly, for business opportunities, provided, however, if the Company's disinterested directors determine that the Company will not pursue an opportunity that relates to the Company's business, a director may do so, after obtaining permission from the Chairman of the Board and notifying the MD/ CEO of his intended actions.

## **7. Confidentiality**

Directors must maintain the confidentiality of confidential information received in their capacity as directors from MMTL or its customers or agents except when disclosure is authorized or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors, or harmful, directly or indirectly, to the Company or its customers, if disclosed.

## **8. Protection and Proper Use of Company Assets**

Directors must protect the Company's assets and not use any assets for their own purpose unless it is in the normal course of the Company's business. Directors must not use Company me, employees, supplies, equipment, funds, collateral, tools, buildings or other assets for personal benefit without prior written authorisation from the Chairman / MD/ CEO of the Company. The Company Secretary should be copied on the request.

## **9. Compliance with Laws, Rules, Regulations and Company Policy**

Directors shall comply with all applicable laws, regulations and Company policies/codes.

## **10. Encouraging Tone from the Top**

Directors must set an example to the Company on ethical conduct and should take positive steps to ensure employees act in an ethical way. This includes encouraging employees to speak up and talk to managers or other appropriate personnel when in doubt about an ethical question. Directors should encourage all employees and interested third parties to speak up and report actual or suspected illegal or unethical conduct, breaches of law, regulation or Company policy under the Whistle blower Policy.

## **11. Relationship with Auditors and Regulators**

No director shall make a false or misleading statement in relation to MMTL to auditors, SEBI or BSE (or any other exchange where the Company may choose to list in future) or the Board. Without restricting the application of this requirement, all directors must engage honestly and truthfully with the Company's auditors and regulators. Directors are expected to engage with the Company's auditors and regulators via and within the framework provided by the Company unless exceptional circumstances apply.

## **12. Engagement with Staff**

All individuals should be treated fairly and equitably. Harassment or discrimination of any sort is strictly prohibited.

### **13. Bribery and Corruption**

Directors must combat all aspects of bribery and corruption, an activity which the Company views as illegal, unethical and dishonest.

### **14. Actual or Suspected Breach of Code**

If a director, employee or third party becomes aware of an actual or suspected breach of the Code, it should be reported to the Company Secretary and Chairman of the Board. A confidential investigation will be carried out under the direction of these 3 individuals (unless the allegation relates to one of them in which case they will be excluded) either internally or with external professional assistance. Depending on the outcome, appropriate disciplinary steps may be taken, including a request that the director resign or be removed from office.

This Code is not gender specific and reference to he should be construed as a reference to she when appropriate.

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**Annexure – 1**

**FORM OF ACKNOWLEDGMENT OF RECEIPT OF CODE OF CONDUCT  
AND ETHICS AND ANNUAL COMPLIANCE**

I have received and read the Company's Code of Conduct and Ethics. I understand the standards and policies contained in the Company Code of Conduct and Ethics and understand that there may be additional policies or laws specific to my job and/or the location of my posting. I further agree to follow the values of the Company in all that I do and comply with the Company Code of Conduct and Ethics.

If I have questions concerning the meaning or application of the Company Code of Conduct and Ethics, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult my manager, the Compliance Officer, the Human Resources Department or the Legal Department, knowing that my questions or reports to these sources will be maintained in confidence.

Employee Name \_\_\_\_\_

Employee No \_\_\_\_\_

Designation \_\_\_\_\_

Signature \_\_\_\_\_

Date

**Please sign and return this form to the Company Secretary.**