

SERVOTECH-CODE OF CONDUCT TO REGULATE, MONITOR AND REPORTING TRADING BY DESIGNATED PERSONS

[Pursuant to Regulation 9(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]

Introduction

The Securities and Exchange Board of India (“SEBI”), in its endeavour to protect the interests of investors in general, has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”) under the powers conferred on it under the SEBI Act, 1992 (the “Act”). The PIT Regulations have come into force from 15th May, 2015 and have further been amended, from time to time. The PIT Regulations are applicable to all companies whose securities are listed or are proposed to be listed on Indian stock exchanges. Pursuant to Regulation 9(1) of the PIT Regulations, the Company is required to formulate a code of conduct to regulate, monitor and reporting of trading by Designated Persons (“Code”).

Objective of the Code

Trading in the securities of a listed company by any person, based on unpublished price sensitive information relating to such a company is prohibited by SEBI, as it erodes investors’ confidence in the integrity of the management of a company and is unhealthy for the capital markets. All UPSI, which is entrusted with any person, from time to time, remains the property of the Company. Further, persons who are in possession of UPSI are not permitted to disclose such information, except in furtherance of legitimate purposes, on a need to know basis, or tip others by way of a recommendation for sale, purchase, retention of securities of a company when in possession of such unpublished price sensitive information.

The Code aims to ensure monitoring and timely reporting of trades by the Designated Persons and adequate disclosure of price sensitive information by the Company. This Code is to be followed by the Designated Persons and by all persons who may be privy to the UPSI. The Code aims at transparency and fairness in dealing with the stakeholders and ensuring compliance with the relevant applicable laws and regulations. The Code is intended to serve as a guiding charter for all concerned persons associated with the functioning of the Company and their Trading in Securities.

Do note that Insider trading is a crime which is punishable under the Act. Instances of insider trading are heavily penalized by SEBI, and such penalties are usually not proportionate to the profits or gains made by the offender i.e. although the profit made by an offender may be negligible, the penalty imposed by SEBI may be very high and disproportionate to the profit earned.

1. Definitions

1.1 The following capitalized terms used in this Code shall have the meaning assigned herein below:

"Act" means the Securities and Exchange Board of India Act, 1992.

"Board" means the board of directors of the Company.

"Managing Director" shall mean the Managing Director of the Company.

"Company" means Servotech Power Systems Limited.

"Compliance Officer" means any senior officer, designated so and reporting to the Board, who is financially literate (that is, has ability to read and understand basic financial statements) and is capable of appreciating requirements for legal and regulatory compliance under the PIT Regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of trades and the implementation of the codes specified in PIT Regulations under the overall supervision of the Board.

"Compliance Committee" shall have the meaning as ascribed to it under the Vigil Mechanism.

'Connected person' means-

- (a) any person who is or has during the six months prior to the concerned act been associated with a 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 UPSI or is reasonably expected to allow such access.
- (b) 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, -
 - (i) an immediate relative of connected persons specified in clause (a); or
 - (ii) a holding company or associate company or subsidiary company; or
 - (iii) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - (iv) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (v) an official of a stock exchange or of clearing house or corporation; or
 - (vi) 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
 - (vii) 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
 - (viii) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - (ix) a banker of the Company; or
 - (x) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest

"Designated Persons" means,-

- (a) The following persons and Employees:

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|------------------------|--|
| Tier-I of Management | Promoter, Directors and Key Managerial Personnel (“KMP”) |
| Tier-II of Management | (i) Functional heads for each department;

(ii) Employees upto two levels below the Chief Executive Officer; and

(iii) General Manager and above. |
| Tier-III of Management | (i) Employees of the finance department across all locations; and

(ii) Employees of the corporate secretarial, legal and HR department. |
- (b) Personal Assistant/Secretary, if any, to the persons in Tier-I, Tier-II and Tier-III of Management.
- (c) Employees of material subsidiaries of the Company as may be identified by the Board or the Compliance Officer on the basis of their functional role or access to the UPSI;
- (d) Employees of the administrative and support staff (including the IT staff and secretarial staff) of the Company having access to UPSI, as may be identified by the Board or the Compliance Officer;
- (e) Immediate Relatives of the aforementioned Designated Persons; and
- (f) Such other Employees as may be identified by the Board or the Compliance Officer on the basis of their role and functions in the Company and such that such role and function provides them or may provide them access to the UPSI.

“Employee” shall mean the employee of the Company.

“Fair Disclosure Code” shall mean Company’s Code of Practises and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

“Generally available information” means information that is accessible to the public at large on a non-discriminatory basis.

“ICDR Regulations” means the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

“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.

“Insider” means any person who is: (a) a Connected Person; or (b) in possession of or having access to UPSI.

“Insider” shall have the meaning as ascribed to it under the PIT Regulations.

"Key Managerial Personnel" means the Employee who has been designated as key managerial personnel of the Company pursuant to the Companies Act, 2013.

"Ombudsperson" shall mean the person designated as Ombudsperson in terms of the Vigil Mechanism.

"Promoter" shall have the meaning assigned to it under the ICDR Regulations, 2018 or any modification thereof.

"Promoter Group" shall have the meaning assigned to it under the ICDR Regulations, 2018 or any modification thereof.

"Securities" shall mean the securities of the Company, where the term "securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;

"Stock Exchange(s)" shall mean the stock exchanges where the Securities of the Company are listed or are proposed to be listed;

"Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.

"Trading Day" means a day on which the recognized stock exchanges are open for trading.

"Trading Plan" means the plan formulated in accordance with clause 9 of this Code.

"Trading Window" means the trading period as specified in clause 7.1 of this Code for trading in the Securities.

"Unpublished Price Sensitive Information" or "UPSI" means any information, relating to the Company or the 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 be restricted to, information relating to the following:

- a) financial results,
- b) dividends,
- c) change in capital structure,
- d) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions, and
- e) Any changes in Promoters, Board and Key Managerial Personnel.

"Vigil Mechanism" shall mean the whistle blower policy and the vigil mechanism of the Company as may be adopted by the Board.

- 1.2 All terms used in this Code but not defined hereinabove shall have the meanings ascribed to them under the PIT Regulations, the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the rules and regulations made thereunder, including any amendment thereto.

2. Applicability

2.1 This Code applies to all Designated Persons and their Immediate Relatives and they shall comply with the provisions of this Code.

3. Restrictions in relation to disclosure, access and use of UPSI

3.1 No Designated Person shall:

(i) communicate, provide, or allow access to any UPSI, relating to Company or its Securities, to any person except to the extent allowed under the PIT Regulations; and

(ii) procure from or cause the communication by any Designated Person of UPSI, relating to the Company or its Securities.

3.2 Designated Persons, who are privy to UPSI, shall maintain its confidentiality and handle it strictly on “need to know” basis and shall only disclose it to other persons for ‘legitimate purposes’ as provided under the Fair Disclosure Code.

3.3 Any person in receipt of the UPSI for a “legitimate purpose” shall be considered an ‘Insider’ and shall be governed by the applicable provisions of the Code and the Fair Disclosure Code.

3.4 Subject to provisions of PIT Regulations, the Designated Persons sharing the UPSI with any person with under this Clause 3 shall cause the execution of a non-disclosure agreement with the recipient of such information to bind the recipient to maintain confidentiality of the information shared.

3.5 In case it is not practical to sign the non-disclosure agreement, then a notice may be served by the Compliance Officer to the person receiving the UPSI to maintain confidentiality of the information shared with such person.

3.6 No Designated Person shall Trade in Securities on the Stock Exchange(s) when in possession of UPSI.

4. Restrictions on access to Information relating to the Company

4.1 To prevent the misuse of UPSI, the Company shall adopt a "Chinese Wall" policy which separates those areas/Employees which/who routinely have access to UPSI, and may be considered as “inside areas”, from those Employees/areas who/which do not have access to UPSI. The Employees in the inside area shall not communicate any UPSI to anyone in the other areas, except in accordance with the provisions of this Code or the PIT Regulations.

5. Responsibilities with respect to confidentiality of UPSI

5.1 Preservation of UPSI

(a) All Designated Persons shall maintain the confidentiality of all UPSI coming into their possession or control.

- (b) To comply with this confidentiality obligation, the Designated Persons shall not:
 - (i) pass on UPSI to any person directly or indirectly by way of making a recommendation for Trading in Securities; or
 - (ii) disclose UPSI to their dependent family members, friends, business associates or any other individual; or
 - (iii) discuss UPSI in public places; or
 - (iv) recommend to anyone that they may undertake Trading in Securities, while being in possession, control or knowledge of UPSI.
- (c) All Designated Persons shall strictly comply with processes set for procurement and communication of UPSI and not violate, directly or indirectly, any restrictions set out in this Code with respect to the same. They shall further provide to the Compliance Officer or such persons as authorized by the Company, from time to time, with all information as required in furtherance of the objectives of the PIT Regulations and this Code.

5.2 Limited access to UPSI

- (a) Designated Persons privy to UPSI shall, in preserving the confidentiality of such UPSI, and to prevent its wrongful dissemination, shall adopt, among others, the following safeguards:
 - (i) physical files containing information shall be kept secure, preferably in designated places;
 - (ii) computer files must have adequate security of login through a password; and
 - (iii) files containing information, if not needed, should be deleted/destroyed after being used.
- (b) All Designated Persons shall follow guidelines for maintenance of electronic records and systems as may be prescribed by the Compliance Officer, from time-to-time, in consultation with the person in charge of the information technology operations of the Company.

5.3 Keeping track of UPSI

The Designated Person sharing the UPSI shall create, maintain and regularly update, with adequate internal control and checks (such as, time stamping and audit trails to ensure non-tampering of the database), a structured digital database containing names of such persons or entities with whom UPSI is shared along with PAN or any other identified authorised by law.

6. Compliance Officer

- 6.1 The Board has nominated the Company Secretary of the Company as the Compliance Officer for the Company. In absence of the Company Secretary, the Chief Financial Officer of the Company shall discharge the duties of Compliance Officer.

- 6.2 The Compliance Officer shall be responsible for ensuring compliance and effective implementation of the Regulations and this Code. The Compliance Officer shall act as the focal point for dealings with SEBI in relation to the PIT Regulations and in connection therewith, be authorised to make all necessary disclosures with the Stock Exchange(s) in accordance with the PIT Regulations and the Code. The Compliance Officer shall report to the Board and in particular, shall provide reports to the Chairman of the Audit Committee, at such frequency as may be stipulated by the Board, but not less than once in a year.
- 6.3 In the performance of his/her duties, the Compliance Officer shall have access to all information and documents relating to the Securities or any other information as may be required by the Compliance Officer in order to ensure compliance with this Code and the PIT Regulations. All Designated Persons shall co-operate with the Compliance Officer in this regard
- 6.4 Without prejudice to clause 6.2 above and other obligations of the Compliance Officer as may be specified herein or the Regulation, the Compliance Officer shall also be responsible for the following:
- (a) identification of UPSI, setting up procedures and undertaking actions to preserve the same;
 - (b) implementation of this Code under the overall supervision of the Board;
 - (c) intimating every person as and whenever such person becomes an Insider by ensuring dissemination of knowledge to all Insiders with respect to processes involved in preservation of UPSI, their duties and responsibilities with respect to procurement, handling and dissemination of UPSI and liability against misuse or unwarranted use of UPSI;
 - (d) assisting Designated Persons from time to time in addressing any clarifications regarding the PIT Regulations and this Code;
 - (e) executing the non-disclosure agreement on behalf of the Company with the persons with whom UPSI is shared for legitimate purposes;
 - (f) ¹reviewing and approving Trading Plans as prescribed in this Code;
 - (g) pre-clearing of Trades proposed by Designated Persons and their Immediate Relatives;
 - (h) liaising and extending full cooperation to the Audit Committee of the Company in its review of compliance with provisions of the PIT Regulations as well as this Code and verification of adequacy of internal control systems;
 - (i) prescribing procedures for various activities referred to in the Code; and
 - (j) monitoring adherence to the rules for the preservation of UPSI and undertaking periodic process review to evaluate effectiveness of internal control mechanisms;

7. Trading Window

- 7.1 The Compliance Officer may, on the basis of his/her judgment as to the existence or non-existence (as the case may be) of any UPSI, specify a trading period, to be called "Trading Window", for Trading the Securities, as "Closed" or "Open" (as the case may be). No Designated Person shall Trade in the Securities when the Trading Window is "Closed". The Compliance Officer shall take all reasonable steps to inform the Designated Persons

status of the Trading Window, when it is declared as “Closed” or “Open” (as the case may be). The Compliance Officer shall not under any circumstances disclose the reasons for designating the Trading Window as “Closed”.

7.2 The Trading Window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI. Such closure shall be imposed in relation to such Securities to which the UPSI relates to. As a general rule, the Trading Window may be designated as “Closed” including but not limited to the following purposes and for such periods as may be determined by the Compliance Officer:

- (a) declaration of financial results wherein closure may be made applicable from the end of every quarter until 48 hours after declaration of financial results;
- (b) declaration of dividend (interim/ final);
- (c) issue of Securities by way of public/rights/bonus issue;
- (d) any major expansion plans or execution of new projects;
- (e) amalgamation, mergers, de-mergers, restructuring, acquisitions, takeovers, buy back of shares, or spin-off of divisions;
- (f) disposal of whole or substantially the whole of the undertaking or any investment made by the Company;
- (g) voluntary de-listing of the Securities by the Company;
- (h) ADR/ GDR or any other class of securities to be issued abroad;
- (i) cancellation of dividend/ right/ bonus, etc.

7.3 The timing for designating the Trading Window as "Open" shall be determined by the Compliance Officer taking into account various factors, such as, whether the UPSI in question has become generally available and is capable of assimilation by the market. Such period shall not be less than 48 hours after the relevant information has become generally available in the market.

7.4 The Compliance Officer (in consultation with the Managing Director) may close the Trading Window for a longer period or for any events other than those suggested above in clause 7.2, as it may deem fit after taking into account the nature and sensitivity of UPSI.

7.5 All Designated Persons shall strictly conduct their Trading in the Securities only when the Trading Window is designated as "Open". Trades by Designated Persons shall be further subject to pre-clearance of such Trades by the Compliance Officer, in case required in specific cases, for example, where the trade is not undertaken in accordance with an approved Trading Plan.

7.6 The restriction to not Trade in the Securities when the Trading Window is closed is also 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 and other Connected Persons.

8. Pre-Clearance for trading in Securities

8.1 Applicability

- a) Every Designated Person who intends to Trade in Securities of a value more than INR 5,00,000 (Five Lakh) in any calendar year, in a single transaction or a series of transactions and who has not obtained approval of its Trading Plan shall be

required to obtain a pre-dealing approval ("**Pre-Dealing Approval**") for the proposed transaction from the Compliance Officer, as per the procedure prescribed hereunder.

- b) It is clarified that no Designated Person shall apply for any Pre-Dealing Approval if such Designated Person is in possession of UPSI, irrespective of whether the Trading Window is open or closed.

8.2 Procedure for applying for the Pre-Dealing Approval

- a) For the purpose of applying for a Pre-Dealing Approval, the concerned Designated Person shall make an application in the prescribed form (Annexure 1) to the Compliance Officer ("**Pre-Dealing Application**"). The Pre-Dealing Application should be complete and correct in all respects and in case required by the Compliance Officer, is accompanied by a declaration to the effect that the applicant is not in possession of any UPSI.
- b) The Pre-Dealing Application with the necessary enclosures must be sent through the official electronic email of the concerned Designated Person to the Compliance Officer.

8.3 Pre-Dealing Approval

- a) The Compliance Officer shall consider the Pre-Dealing Application and communicate his approval ("**Pre-Dealing Approval**") or rejection of such Pre-Dealing Application within two (2) working days from the date of receipt of the same. The final decision of the Compliance Officer in respect to the Pre-Dealing Application shall be conveyed through the official electronic mail of the Company. While considering a Pre-Dealing Application, the Compliance Officer shall give due regard to whether the declaration/undertaking given by the Designated Person, in relation to such person not being in possession of UPSI, is reasonably capable of being rendered inaccurate.
- b) Every Pre-Dealing Approval or rejection shall be issued by the Compliance Officer substantially in the format set out in Annexure 2 or such other format as may be prescribed by the Board, from time to time. Every Pre-Dealing Approval shall be dated and shall be valid for a period of 7(seven) days from the date of Pre-Dealing Approval ("**Validity Period**").

8.4 Completion of Pre-cleared Dealing

- (a) A Designated Person may complete the transaction for which a Pre-Dealing Approval has been obtained from the Compliance Officer ("**Approved Deal**") within the Validity Period. If the relevant Designated Person does not execute the Approved Deal within the Validity Period, Pre-Dealing Approval shall stand expired and the Designated Person shall be required to re-initiate the process of seeking a pre-dealing clearance, in case the same is required post expiry of the Validity Period.
- (b) Within 2 working days of execution of the Approved Deal, the relevant Designated Person shall file the details of such Approved Deal with the Compliance Officer in the format prescribed in Annexure 3. In the event the

Designated Person does not undertake an Approved Deal, a written report to that effect shall be filed with the Compliance Officer in the format prescribed in Annexure 3.

8.5 Holding Period

- (a) A Designated Person, who buys or sells any number of Securities, shall not enter into an opposite transaction ("**Contra-Trade**") i.e. sell or buy any number of shares during the six (6) months immediately following the prior transaction. In case a Designated Person proposes to enter into a Contra Trade due to certain unexpected circumstances, before the expiry of the holding period specified in Clause 8.5(a) above, the Compliance Officer may permit the relevant Designated Person to do so after recording the reasons in writing, provided that such relaxation is not in violation of the PIT Regulations.
- (b) Should a Contra Trade be executed, inadvertently or otherwise, in violation of the restrictions specified herein, the profits from such Trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by the SEBI under the Act.
- (c) The above restrictions shall not be applicable for Contra Trades carried out in accordance with a Trading Plan duly approved in accordance with Clause 9.3 and the Trades executed by a Designated Person pursuant to the exercise of employee stock options.

8.6 **Advice Regarding Pre-Clearance:** In case of doubt as to whether the Designated Person should make a Pre-Dealing Application to the Compliance Officer, the Designated Person may refer and confirm with the Compliance Officer whether the provisions relating to Pre-Dealing Application is applicable to the proposed transaction by the Designated Person.

8.7 For any transactions proposed to be entered into by the Compliance Officer or the Immediate Relative of the Compliance Officer, the Compliance Officer shall seek prior approval from the Chairman and Managing Director of the Company in respect thereto. Provisions of this clause 8 shall be applicable *mutatis-mutandis* to such an application made by the Compliance Officer.

9. Trading Plan

9.1 Designated Persons may formulate a trading plan providing the details of the Trades that such person plans to undertake ("**Trading Plan**") and present it to the Compliance Officer for approval and public disclosure. Pursuant to and in accordance with such an approved and published Trading Plan, such Designated Person shall be permitted to carry out Trades in Securities.

9.2 **Requisites of a Trading Plan:** A Trading Plan proposed to be submitted to the Compliance Officer for approval must comply with the following pre-requisites:

- (a) Trading under the Trading Plan shall commence only after the expiry of six months from the date of public disclosure of the said plan;
- (b) The Trading Plan shall not entail trading for the period between the twentieth (20th) trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the

- disclosure of such financial results;
- (c) The Trading Plan shall entail Trading for a minimum period of twelve (12) months;
 - (d) The Trading Plan shall not be for a period for which another trading plan is already in existence, i.e. there cannot be more than one trading plan for the same period;
 - (e) The Trading Plan shall 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) Trading on the basis of such a trading plan should not lead to market abuse. If any manipulative activity is detected, suitable proceedings may be initiated for breach of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities market) Regulations, 2003.

9.3 Approval of a Trading Plan

- (a) If a Designated Person proposes to undertake Trades based on a Trading Plan, he/she may present the relevant Trading Plan to the Compliance Officer for approval and public disclosure.
- (b) The Compliance Officer shall review the Trading Plan and assess whether the Trading Plan made by the Designated Person is in violation of or has the potential of being in violation of the PIT Regulations. The Compliance Officer may require the Designated Person to give such express undertakings as may be required to satisfy the Compliance Officer that the trading Plan is not in violation of the PIT Regulations or does not have the potential of violating the PIT Regulations.
- (c) Once the Compliance Officer is satisfied with its assessment of the Trading Plan, the Compliance Officer shall approve the Trading Plan and inform the relevant Designated Person of such approval in writing. Once approved, the Compliance Officer shall notify the Trading Plan to the Stock Exchange(s).
- (d) Upon due approval of a Trading Plan pursuant to this Clause 9.3, no further Pre-Dealing Approval will be required to be undertaken by the Designated Person until subsistence of such approval of the Trading Plan.
- (e) The Contra Trade restrictions under clause 8.5 of this Code shall also not apply to the Trades executed pursuant to an approved Trading Plan.

9.4 Execution of Trading Plan

A Trading Plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan without any deviation, provided that the Compliance Officer shall defer the implementation of the Trading Plan, if any UPSI in possession of the Designated Person at the time of formulation of the said plan has not become generally available.

10. Reporting Requirements for Transactions in Securities

10.1 Initial Disclosure

Every person, upon being appointed as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter or member of the Promoter Group shall disclose his holding of Securities, as on the date of such appointment or becoming a Promoter, to

the Company within seven (7) days of such appointment or becoming a Promoter or a member of the Promoter Group. The disclosure shall be made in the format prescribed in Form B.

10.2 Continual Disclosure

- (a) Every Promoter, member of the Promoter Group, Designated Person and Director shall disclose to the Company the number of Securities acquired or disposed, 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 INR 10,00,000 (Rupees Ten Lakhs) or such other value as may be specified in the PIT Regulations. The disclosure shall be made in the format prescribed in Form C.
- (b) Within two (2) days of the receipt of intimation from a Promoter, Designated Person or Director by the Company, in accordance with clause 10.2(a), the Compliance Officer shall disclose to the Stock Exchange(s) the information received from aforesaid persons. The disclosure of any incremental transactions after any disclosure as specified above, shall be made when the transactions effected after the prior disclosure crosses the threshold of INR 10,00,000 (Ten lakh) as specified above.
- (d) The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the Promoters or Designated Persons for a minimum period of 5 (five) years.
- (e) All Designated Persons shall be required to submit an annual declaration as of 31st March of every year in Form D, to the Company with the details as specified in such form.
- (f) All Designated Persons shall be required to submit an annual disclosure as of 31st March of every year, in Form E, to the Company with the details as specified in such form. Further, whenever, there is a change in disclosure last submitted by a Designated Person to the Company, the Designated Person shall intimate the change in the disclosures already submitted to the Company, immediately but not later than 7 days from such change.
- (g) All the disclosures shall be made in the prescribed formats and must be sent to the Compliance Officer at the official e-mail id. The original disclosures must be sent at the following address: *806, 8th Floor, Crown Heights, Hotel Crown Plaza, Sector-10, Rohini, New Delhi 110085*

10.3 Other Disclosures

The Company may at its discretion require any other Connected Person or class of Connected Persons or class of Connected Persons to make disclosures of holdings and Trading in Securities of the Company in such form and at such frequency as may be determined by the Company in order to monitor compliance with this Code and PIT Regulations.

11. Violation

11.1 Responsibility for compliance and onus of proof

- (a) Every Designated Person shall be individually responsible for complying with the provisions of the Act, the PIT Regulations and this Code.
- (b) A Designated Person who has traded in Securities has been in possession of UPSI, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession unless he can prove otherwise under the exceptions carved out in the PIT Regulations or otherwise.

11.2 Reporting Instances

- (a) All Designated Persons shall be alert and vigilant with respect to the following reporting instances ("Reporting Instances"):
 - (i) Dealing in Securities in contravention of the provisions of the PIT Regulations or this Code by any person: or
 - (ii) Any act or circumstance by virtue of which any UPSI becomes generally available in contravention of the provisions of this Code or the Fair Disclosure Code. It is hereby clarified that any purported attempt by any person for making the UPSI as generally available information in contravention of the provision of this Code or the Fair Disclosure Code shall also be considered as the Reporting Instance.
- (b) The Designated Person shall disclose to the Ombudsperson in writing all relevant information pertaining to any Reporting Instance as soon as possible but no later than 7 days from the date on which such Designated Person becomes aware of such Reporting Instance.

11.3 Inquiry

The inquiry in relation to any Reporting Instance disclosed to the Ombudsperson shall be conducted by the Ombudsperson and the Compliance Committee in accordance with the provisions and the procedure prescribed under the Vigil Mechanism.

11.4 Decision

- (a) Any disciplinary or other appropriate action taken by the Compliance Committee with respect to a Reporting Instance against the defaulting person shall include wage freeze, suspension, recovery, clawback or termination of employment. In such a case, such disciplinary action shall also be promptly reported to SEBI.
- (b) Any action taken by the Company with respect to any Reporting Instance will not preclude SEBI from taking any action for violation of the PIT Regulations or any other applicable laws/rules/regulations.

11.5 Please note that pursuant to Section 15G of the Act, any Insider who indulges in insider trading in contravention of the PIT Regulations, either on his own behalf or on behalf of any other person is liable to a penalty between INR 10,00,000 (Rupees Ten Lakhs) to INR 25,00,00,000 (Rupees Twenty Five Crores) or three (3) times the amount of profits

made out of the insider trading, whichever is higher. Further, pursuant to Section 24 of the Act, if any one contravenes or attempts to contravene or abets the contravention of the provisions of the Act and/ or regulations framed thereunder, he/she shall be punished with imprisonment, which may extend to a period of ten (10) years or with fine extending up to INR 25,00,00,000 (Rupees Twenty Five Crores) or both.

12. CLARIFICATIONS AND MODIFICATIONS

For all queries concerning this Code please contact the Compliance Officer. The Compliance Officer/Chief Financial Officer shall have the right to amend and modify this Code in consultation with the Chairman and Managing Director provided that any such amendment or modification to the Code shall be tabled before the Board at the earliest.

Annexure-1

Form for Pre-Dealing Application

Date:

The Compliance Officer,
 Servotech Power Systems Limited
 [Insert address]

Dear Sir,

Sub: Application for Pre-clearance for purchase/sale of securities

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons ("**Code**"), I/my spouse/my immediate relative, _____(Name of the Employee/Immediate Relatives intending to take the transaction) having PAN_(No. of such Person) seek approval for purchase/sale/subscription of the Company's Securities as per the details given below:

Name of Designated Person:		
<i>Surname</i>	<i>First Name</i>	<i>Middle Name</i>
Reporting to:		Date of Appointment:
Emp No:	Grade:	
Department:	Location:	
Nature of Transaction (<i>please tick</i>)		Buy/Sell/Subscribe
Name of the Proposed Buyer/Seller (<i>applicable only in caseoff market trade</i>)		
No. of Securities (<i>intended to be purchased/sold/subscribed</i>)		_____ Shares _____ Debentures _____ Warrants
Date of Purchase/allotment (<i>applicable in respect of sale of Securities only</i>)		
Previous approval no. and date for purchase/allotment (<i>applicable only in respect of sale of Securities for which an earlier purchase sanction was granted by the Compliance Officer</i>)		

DP ID / BEN ID of the account/folio no. from which the Securities would be credited/debited	DP ID Client ID Folio No.
No. of Securities held in the said account	_____ Shares _____ Debentures _____ Warrants

[Please note that I/we are not entering into an opposite transaction from any prior transaction of buying or selling of Securities undertaken by either one of us within a period of 6 months immediately preceding this undertaking.] ***[Note: In case the transaction contemplated is a Contra Trade, the same may be mentioned here, along with the reasons for seeking approval for undertaking such transaction.]***

- II. In this regard, I/We do hereby declare and undertake as under:
- (a) Neither I nor my Immediate Relative proposing to undertake the aforementioned transaction is in possession of or otherwise privy to any UPSI up to the time of signing this Undertaking.
 - (b) In case I or my relevant Immediate Relative has access to or receives any UPSI after signing this Undertaking but before execution of the proposed transaction, I shall inform the Compliance Officer of the change in my or my Immediate Relative's position and would completely refrain from Trading in the Securities of the Company till the time such information is published and generally available.
 - (c) I declare that I have not contravened the Code as notified by the Company from time to time.
 - (d) I am aware that, I shall be liable to face consequences as set forth in the Code including disciplinary action under the Code of the Company, in case the above declarations are found to be misleading or incorrect at any time.
 - (e) I have made a full and true disclosure in the matter.

I hereby agree to indemnify and keep the Company and its Directors indemnified from and against all and any penalties/fines that may be imposed on them by the SEBI and/or any other statutory authorities as a result of violation by me or my Immediate Relative of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code prescribed by the Company.

Capitalized terms used but not defined herein shall have the same meaning as ascribed to these in the Code.

Signature:
 Designation:

Annexure-2

PRE-Clearance Approval/Disapproval

Date: _____

Mr. _____
[Address]

Dear Sir,

This is to inform you that your request for sale of _____ shares of the Company as mentioned in your application dated _____ is approved/disapproved.

[In case approval is granted, the following will be added]

Please note that this approval is valid only for a period of 7 days from the date of this approval and in case you propose to undertake the approved transaction, the same must be executed within the said validity period of 7 days.

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

Further, kindly note that you are required to file the details of the executed transactions within 2 working days from the date of execution of the approved transaction/deal. In case the transaction is not undertaken the same must also be reported.

For Servotech Power Systems Limited

Compliance Officer

Annexure 3

Reporting of Trades Executed/Not Executed after procuring Pre-Dealing Approval

Date:

The Compliance Officer,
Servotech Power Systems Limited

Dear Sir,

Sub: Reporting of Trades Executed/Not Executed after Pre-Dealing Approval was obtained

I. In case of trade executed:

Pursuant to the Company's Code of Conduct for Prevention of Insider Trading, I have sought approval for Purchase/Sale of securities of the Company as under vide letter dated_____.

I hereby report following trade executed by me:

Name	No. of shares held prior to the transaction (with Folio/DP ID/ ClientID)	Nature of Transaction executed for which approval was granted	Sale/Purchase along with value

II. In case Trade not executed

Pursuant to the Company's Code of Conduct for Prevention of Insider Trading, I had sought approval for Purchase/Sale of securities of the Company as under vide letter dated_____.

However, I could not execute the said trade for reasons below mentioned:

- 1.
- 2.

Signature:

Designation:

FORM B

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

Name of the Company: _____
ISIN of the Company: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or a member of the Promoter Group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person (KMP/Director or Promoter or member of the promoter group/Immediate Relative, others etc.)	Date of appointment of KMP/Director/OR Date of becoming Promoter/member of the Promoter Group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the Promoter Group		% of Shareholding
			Type of securities (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 on the securities of the Company held on appointment of KMP or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Open Interest of the Future contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the Promoter group			Open Interest of the Option Contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the Promoter group		
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
7	8	9	10	11	12

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

Name & Signature:
Designation:
Date:
Place:

FORM C

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

Name of the Company: _____

ISIN of the Company: _____

Details of change in holding of Securities of Promoter, Member of Promoters Group, Designated Person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoter/member of the promoter group/designated person/KMP/Directors / immediate relatives/other 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 purchase/public rights/preferential offer/off market/inter-se transfer, ESOPs, etc.)	Exchange on which the trade was executed
		Type of securities	No. and % of shareholding	Type of securities	No.	Value	Transaction Type	Type of securities	No. and % of shareholding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

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

(ii) Value of transaction excludes taxes/brokerage/any other charges.

Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contracts, 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)	
16	17	18	19	20	21	22

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

Name and Signature: _____

Designation: _____

Date: _____

Place: _____

FORM D

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7(3)]**

Name of the Company: _____
ISIN of the Company: _____

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

Name, PAN, CIN/DIN & address with contact nos. of other connected persons as identified by the Company	Connection with the 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 intimation to Company	Mode of acquisition/disposal (market purchase/public rights/preferential offer/off market/inter-se transfer, ESOPs, etc.	Exchange on which the trade was executed
		Type of security	No. and % of shareholding	Type of security	No.	Value	Transaction Type	Type of Security	No. and % of shareholding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

*Note: (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.
(ii) Value of transaction excludes taxes/brokerage/any other charges.*

Details of trading in derivatives on the securities of the Company 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)	
16	17	18	19	20	21	22

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

Name:
Signature:
Place:

FORM E

ANNUAL DECLARATION BY DESIGNATED PERSONS

Date:

To,
The Board of Directors,
 Servotech Power Systems Limited
 806, 8th Floor, Crown Heights,
 Hotel Crown Plaza, Sector10, Rohini 110085, New Delhi

Dear Sir/Madam,

I, the undersigned, being a Designated Person as defined under the Company’s Code of Conduct to regulate, monitor and reporting trading by Designated Persons (“the **Code**”) hereby declare and confirm that I have read and understood the Code and I and my Immediate Relatives have complied and will continue to comply with the Code to the extent applicable to us.

I hereby disclose the following details of securities of the Company held by me and my Immediate Relatives.

A) ANNUAL STATEMENT OF SECURITIES HELD AS ON 31.03.20[•]

1. BY SELF

Folio No./Client ID No.	No. of shares held as on the first day of the financial year	No. of securities	Nature of securities	No. of shares held as on the last day of the financial year

2. BY IMMEDIATE RELATIVES

Folio No./Client ID No.	Name and relationship	No. of shares held as on the first day of the financial year	No. of securities	Nature of securities	No. of shares held as on the last day of the financial year

B) ANNUAL STATEMENT OF TRANSACTIONS IN SECURITIES DURING THE FINANCIAL YEAR ENDED ON 31.03.20[•]

1. BY SELF

Folio No./Client ID No.	DP Name & DP ID	Date	No. of securities involved	Nature of transaction i.e. purchase or sale or otherwise (please give details)	Whether pre-clearance was obtained. If so, date of pre-clearance.	Balance No. of securities at the end of the year

2. BY IMMEDIATE RELATIVES

Folio No./Client ID No.	DP Name & DP ID	Date	Name and relationship	No. of securities involved	Nature of transaction i.e. purchase or sale or otherwise (please give details)	Whether pre-clearance was obtained. If so, date of pre-clearance.	Balance No. of securities at the end of the year

Thanking you,
Yours Truly,

(_____)

Name & Designation :
Office address :
Employee ID, if any :
PAN No. :
Email ID :

FORM F

Annual Disclosure by Designated Persons

Date:

The Compliance Officer
 Servotech Power Systems Limited

Dear Sir/Madam,

I [*Name of the Designated Person*], having employee id [_____] provide the following details to the Company:

PAN:

Name of the Educational Institution of Graduation:

Stream of Graduation:

Details of the Past Employers (if applicable):

Please also note the following details with respect to my Immediate Relatives and the persons with whom I share a material financial relationship:

I. Immediate Relatives

Name of the Relative	PAN or any other unique identification number	Relation with the Designated Person	Contact Number (Phone, Mobile or cellnumber)

II. Persons with whom I share Material Financial Relationship

("Material financial relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions.)

Name of the Person	PAN or any other identifier	Reasons for considering the person as a person with whom 'Material Financial Relationship' is shared	Contact Number (Phone, Mobile or cell number)

I declare that all information provided under this form is true and fair to the best of my knowledge.

Signature
Name & Designation
Date