**POLICY ON PROHIBITION OF INSIDER TRADING**

**Introduction:**

1. The Securities and Exchange Board of India (“**SEBI**”) notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**PIT Regulations**”) on January 15, 2015, which came into effect from May 15, 2015.
2. Pursuant to Regulation 4(2)(c)(iv) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **Molind Engineering Limited** (the “**Company**”) is required to formulate a framework to avoid insider trading and abusive self-dealing (“**Insider Trading Policy**”).

**Objective:**

1. This Insider Trading Policy is enforced to maintain the highest ethical standards of dealing in securities of the Company by persons to whom it is applicable. The provisions of the Insider Trading Policy are designed to regulate, monitor and report trading by Insiders in the securities of the Company.

**Definitions:**

* 1. “**Trading**” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
  2. “**Insider**” means any person who is a “Connected Person” or in possession of or having access to unpublished price sensitive information;
  3. “**Compliance Officer**” means the Officer appointed by the Board of Directors at its meeting;
  4. “**Confidential Information**” shall mean any information which is directly or indirectly related to the Company and associate companies and which is not available to the general public or which is proprietary in nature and includes Unpublished Price Sensitive Information as defined under the Insider Trading Regulations;
  5. “**Connected Persons**” means:
     + 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himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
     + 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, -
     + an immediate relative of connected persons specified in clause (i); or
     + a holding company or associate company or subsidiary company; or
     + an intermediary as specified in section 12 of the Act or an employee or director thereof; or
     + an investment company, trustee company, asset management company or an employee or

director thereof; or

* + - an official of a stock exchange or of clearing house or corporation; or
    - 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

* + - 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
    - an official or an employee of a self-regulatory organization recognised or authorized by the

Board; or

* + - a banker of the company; or 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;

**6.**  “**Prohibited Period**” **means the period effective from the date on which the Company sends intimation to the Stock Exchange advising the date of the Board Meeting or any other date as the board may decide,** **up to 48 hours after the price sensitive information is generally available.**

7. “**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: –

* + - financial results;
    - dividends;
    - change in capital structure;
    - mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
    - changes in key managerial personnel; and
    - material events in accordance with the listing agreement.

**Preservation of Price Sensitive Information:**

Directors, Designated Employees, Officers 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. Following practices should be followed in this regard:

1. **Need to know**:

Unpublished 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 and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

1. **Limited access to confidential information**:

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

**Prohibition on Dealing, Communicating or Counselling on Matters Relating to Insider Trading:**

No Insider shall:

1. either on his own behalf, or on behalf of any other person, deals in securities of the Company when in the possession of any Unpublished Price Sensitive Information; or

2. communicates, counsel or procures, directly or indirectly any unpublished price sensitive information to any person. However these restrictions shall not be applicable to any communication required in the ordinary course of business or under any law.

Trading Restrictions:

All Directors / Officers and designated employees of the Company shall be subject to trading restrictions as enumerated below:-

Trading Window:

The period prior to declaration of Price Sensitive Information is particularly sensitive for transactions in the Company’s securities. This sensitivity is due to the fact that the Directors, Officers and Designated Employees will, during that period, often possess unpublished price sensitive information. During such sensitive times, the Directors, Officers and Designated Employees will have to forego the opportunity of trading in the Company's securities. The Directors, Officers and Designated Employees of the Company shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

* 1. The trading window shall be, inter alia, closed at the time of:
     + Declaration of Financial results (quarterly, half-yearly and annual);
     + Declaration of dividends (interim and final);
     + Issue of securities by way of public / rights / bonus, etc.;
     + Any major expansion plans or execution of new projects;
     + Amalgamation, mergers, takeovers and buy-back;
     + Disposal of whole or substantially whole of the undertaking;
     + Any changes in policies, plans or operations of the Company disruption of operations due to natural calamities;
     + Commencement of any new commercial production/commercial operations where the contribution there from is likely to exceed 5% of the total turnover of the Company during that financial year;
     + Developments with respect to changes in pricing/ realisation on goods and services arising out of changes in government policy;
     + Litigation/dispute with a material impact;
     + Revision of credit ratings assigned to any debt or equity instrument of the Company;
     + Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;
     + The period of closure shall be effective from the date on which the Company sends intimation to the Stock Exchange advising the date of the Board Meeting or any other date as the board may decide, **up to 48 hours after the price sensitive information is generally available.**
     + The trading window shall be opened 48 hours after the Price Sensitive Information is made public.
     + All Directors, Officers, Designated Employees of the Company shall conduct all their dealings in the securities of the Company only during the free period and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.
     + 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.

**Reporting Requirements for transactions in securities:**

**Initial Disclosures:**  
  
Every Promoter, Key Managerial Personnel and Director shall disclose to the Company within thirty days of the Regulations taking effect their respective holding of the Company’s Securities as on the date of these Regulations taking effect in the form prescribed by the Securities and Exchange Board of India and as amended from time to time;   
  
Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter shall disclose their respective holding of the Securities of the Company, as on the date of appointment or upon becoming a Promoter, to the Company within seven days of such appointment or becoming a promoter in the form prescribed by the Securities and Exchange Board of India and as amended from time to time.

**Continual Disclosures:**

Every Promoter, Employee and Director of the Company shall disclose to the Company the number of such Securities acquired or disposed of 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 Rs.1.00 million or such other value as may be specified in the form prescribed by the Securities and Exchange Board of India and as amended from time to time; 

The Company shall notify the particulars of such Trading to the stock exchanges on which the Company’s Securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information in the form prescribed by the Securities and Exchange Board of India and as amended from time to time.

**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 in such form prescribed by the Securities and Exchange Board of India and as amended from time to time and at such frequency as may be determined by the Company in order to monitor compliance with the Regulations.