**MOLIND ENGINEERING LIMITED**

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

**[As per SEBI (Prohibition of Insider Trading) Regulations, 2015 including any amendment or re- enactment thereof]**

**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. Chapter IV of the Regulations require, inter alia, all listed companies to frame a Code of Fair Disclosure and Conduct as near thereto to the Model Code specified in Schedule A and Schedule B to the Regulations.
3. 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:**

In this Code, unless the context otherwise requires, “Code” means this **Molind Engineering Limited** Code of Conduct for Prevention of Insider Trading, as modified from time to time.

1. “Compliance Officer” means the officer appointed by **Molind Engineering Limited** as compliance officer pursuant to Regulation 2 of the SEBI (Prohibition of Insider Trading) Regulations, 2015;
2. “Connected Person” has the same meaning as ascribed to it in Regulation 2 of the SEBI (Prohibition of Insider Trading) Regulations, 2015\*;
3. “Designated Persons” mean and include:
   1. All the Directors of the Company.
   2. All the Key Managerial Personnel of the Company.
   3. All Employees of Chairman’s Office, Vice Chairman and Managing Director’s Office and Whole time Director’s Office.
   4. All employees of the Finance, Legal, Corporate Communications and Secretarial Departments designated as Manager and above.
   5. Intermediary or fiduciary designated on the basis of their functional role or access to unpublished price sensitive information in the organization by their board of directors or analogous body;
   6. All promoters of **Molind Engineering Limited**;

IV. “Employee” means employee of Molind Engineering Limited and its Subsidiaries, if any;

V. “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;

VI. “Insider” means any person who is a connected person or in possession of or having access to unpublished price sensitive information.

VII. “Regulations” means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

VIII. “Trading” means and includes subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell, deal in any securities.

IX. “Trading Window” shall have the meaning ascribed thereto in clause 10 of the Code.

X. “Unpublished Price Sensitive Information” means any information, relating to a company or its securities, directly or indirectly to **Molind Engineering Limited**, 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: –

* 1. financial results;
  2. dividends;
  3. change in capital structure;
  4. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions;
  5. changes in key managerial personnel , other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor; ; and
  6. change in rating(s), other than ESG rating(s);
  7. fund raising proposed to be undertaken;
  8. agreements, by whatever name called, which may impact the management or control of the company;
  9. fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
  10. resolution plan/ restructuring or one time settlement in relation to loans/borrowings from banks/financial institutions;
  11. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
  12. initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
  13. action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
  14. outcome of any litigation(s) or dispute(s) which may have an impact on the company;
  15. giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;
  16. granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Explanation 1- For the purpose of sub-clause (ix):

a. ‘Fraud’ shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

b. ‘Default’ shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanation 2- For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable.

NOTE: It is intended that information relating to a company or securities, that is not generally available would be unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information.

**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

**6. DISCLOSURE OF PRICE SENSITIVE INFROMATION**

6.1 Unpublished price sensitive information shall be promptly disclosed in the public domain and made generally available as soon as credible and concrete information comes into being for making such information generally available.

6.2 There shall be universal and uniform dissemination of the unpublished price sensitive information in order for it to be accessible to the public at large. There shall be no selective disclosure of unpublished price sensitive information

6.3 In the event of selective disclosure of an unpublished price sensitive information due to inadvertence or otherwise, such unpublished price sensitive information shall be promptly disclosed in the public domain and made generally available.

**7.** **PRESERVATION OF PRICE SENSITIVE INFORMATION**

7.1 The Designated Persons shall maintain the confidentiality of all unpublished Price Sensitive Information in their possession.

7.2 The Designated Persons shall not advise, communicate, counsel, inform or pass on such information to any person, directly or indirectly, other than communication required to be made/done in the ordinary course of business, or under any law.

7.3 No unpublished price sensitive information shall be shared with analysts or research personnel. 7.4 Appropriate response shall be given by the Molind Engineering Limited to queries on news reports and requests for verification of market rumours by regulatory authorities.

7.5 Unpublished Price Sensitive Information shall be handled on a “need-to-know” basis, i.e., unpublished Price Sensitive Information should be disclosed only to those within Molind Engineering Limited and outsider’s, who need the information to discharge their duty and /or functions.

7A. **POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSES":**

* 1. The Unpublished Price Sensitive Information shall be shared for legitimate purpose only with the outsiders.
  2. **“Legitimate purpose”** shall mean Sharing of unpublished price sensitive information in the Ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors or consultants provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Insider Trading Regulations.
  3. Any person in receipt of unpublished price sensitive information pursuant to a legitimate purpose shall be considered an "insider" for purposes of the SEBI PIT Regulations and due notice shall be given to such person to maintain confidentiality of such unpublished price sensitive information in compliance with the said Regulations. Such person is also required to ensure the confidentiality of unpublished price sensitive information shared with him/her, in compliance with the Insider Trading Regulations.

**7B.** The board of directors or head(s) of the organisation of every person required to handle unpublished price sensitive information shall ensure that a structured digital database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

Provided that entry of information, not emanating from within the organisation, in structured digital database may be done not later than 2 calendar days from the receipt of such information.

**7C.** The board of directors or head(s) of the organisation of every person required to handle unpublished price sensitive information shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

**8. PREVENTION OF MISUSE OF UNPUBLISHED PRICE SENSITIVE INFORMATION:** Notwithstanding anything contained in the Code, the Designated Persons shall not engage in trading in Securities, whether on their own account, the account of the Immediate Relatives or on **Molind Engineering Limited account,** and further shall ensure that their Immediate Relatives shall also not engage in Trading in Securities on their own account, if such Designated Person (or in case of Immediate Relatives, the concerned Immediate Relative) is in possession of any Unpublished Price Sensitive Information.

**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS**

**9. TRADING WINDOW**

10.1 The **“Trading Window”** for the purpose of this Code shall mean the period during which Trading in Securities is permitted.

10.2 The Designated Persons shall engage in trading in Securities only when the Trading Window is open. For the Unpublished Price Sensitive Information not emanating from within the Molind Engineering Limited, trading window may not be closed.

10.3 The Trading restriction Period shall be made applicable from the end of Every Quarter till 48 hours after the declaration of Financial Results or any other period as may be prescribed by the SEBI from time to time.

**10. REPORTING REQUIREMENTS**

**10.1 Initial Disclosures:**

Every person on appointment 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 of the company as on the date of appointment or 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.

**10.2 Continual Disclosures:**

Every promoter, member of the promoter group, designated person and director of every 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 ten lakh rupees 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.

**11. 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.