

**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE
OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)**

OF

**MODERN ENGINEERING AND PROJECTS LIMITED
(Formerly known as Modern Converters Ltd)**

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)

1. PREFACE

This Code has been framed in pursuance to the Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 and to give effect to the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

2. OBJECTIVE

The objective of this Code is to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.

3. PRACTICES AND PROCEDURES

The following Principles of Fair Disclosure for the purposes of “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” shall be strictly followed by the Company.

- 3.1. The Company shall promptly disclose Unpublished Price Sensitive Information to the public that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- 3.2. The Company shall without any deviation follow uniform and universal dissemination of Unpublished Price Sensitive Information to avoid selective disclosure.
- 3.3. Compliance officer is designated as a Chief investor relations officer of the Company to deal with the dissemination of the information and disclosure of Unpublished Price Sensitive Information.
- 3.4. If any Unpublished Price Sensitive Information gets disclosed selectively, inadvertently or otherwise then the same shall be promptly rectified and correct information shall be promptly disseminated.
- 3.5. Managing Director and/or Whole-Time Director and/or Chief financial officer and/or Compliance officer of the Company shall give an appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- 3.6. Every concerned personnel of the Company shall ensure that the information shared with analysts and research personnel is not Unpublished Price Sensitive Information.

3.7. The Company shall wherever possible ensure to make the transcripts or record the proceedings of the meeting held with analysts, conferences held with any investors. The transcripts or records shall be displayed on the official website of the Company.

3.8. Every concern personnel of the Company shall ensure that all the Unpublished Price Sensitive Information shall be handled on need-to-know basis.

4. LEGITMATE PURPOSE

The Unpublished Price Sensitive Information can be shared as an exception by an Insider for Legitimate purposes as per its "Policy for determination of Legitimate Purposes" (**Annexure 1**), provided it is not shared to evade or circumvent the prohibition under this Regulation.

5. LEAK/SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Board has formulated written policy for initiating appropriate inquiries on becoming aware of leak/suspected leak of unpublished price sensitive information (**Annexure 2**).

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Annexure I

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

1. PREFACE

This Policy, as a part of "Codes of Fair Disclosure and Conduct" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy".

This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

2. OBJECTIVE

The objective of this policy is to identify 'Legitimate Purposes' for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring unpublished price sensitive information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any.

3. DEFINATION

3.1. "Legitimate Purpose" shall mean and include:

- i. Sharing or disclosing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants.
- ii. Sharing or disclosing of UPSI in relation to due diligence, evaluation of strategic business opportunities, fund raising, possible business and joint venture arrangement, corporate restructuring and stake sell by promoters.
- iii. Sharing or disclosing of UPSI where such communication is in furtherance of performance of duty(ies);
- iv. Sharing or disclosing of UPSI for discharge of legal obligation(s);
- v. Sharing or disclosing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

Provided that such sharing should not be carried out to evade or circumvent the prohibitions of these Regulations.

3.2. "Insider" - Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered as an "insider" for purpose of these regulations and due notice shall be given to such

persons (Insiders) to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

4. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

Till the UPSI becomes a generally available information, UPSI can be shared with Insider only on a need-to-know basis and for legitimate purpose as provided under this Policy and a due notice will be issued to the Insider to maintain confidentiality of UPSI shared for legitimate purpose.

The Board of Directors shall require the Insider(s) to execute confidentiality and/or non-disclosure agreement to keep UPSI so received confidential and shall not otherwise trade in securities of the company when in possession of UPSI.

5. DIGITAL DATABASE

The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared under Regulation 3 of the SEBI (Prohibition of Insider Trading) Regulations 2015 along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

6. AMENDMENT

The Board of Directors of the Company, subject to applicable laws, rules & regulations, may amend/ substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy. In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

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Annexure 2

POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)

1. BACKGROUND

The SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended has mandated every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries, and results of such inquiries.

In this regard, Board of Directors have laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information (‘the policy’), for adoption.

2. OBJECTIVES

- 2.1** To strengthen the internal control system to prevent leak of UPSI.
- 2.2** To restrict and prohibit the practice of sharing of UPSI, with the un-authorized person, which originates from within the company, and which affects the market price of the Company as well as loss of reputation and investors’ / financiers’ confidence in the company.
- 2.3** To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee(s) & Designated Persons with any person, Firm, Company or Body Corporate.
- 2.4** To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the Securities and Exchange Board of India (“SEBI”) promptly.
- 2.5** To penalize any Insider, Employee & Designated Persons who appears to have found guilty of violating this policy.

3. SCOPE

The Company endeavours to preserve the confidentiality of Unpublished price sensitive information (UPSI) and to prevent misuse of such information. The Company shall strive to restrict and prohibit the practice of sharing of UPSI which originates from within the Company by any promoter, director, key managerial person, Insider, employee, designated person, support staff or any other known or unknow person(s) with any un-authorized person which affects the market price of the Company as well as causes loss of reputation and investors’ / financiers’ confidence in the Company.

4. DEFINITION

4.1 "Chief Investor Relation Officer" shall mean the Compliance Officer appointed by the Board of Director under Securities and Exchange Board India (Prohibition of Insider Trading) Regulations, 2015.

4.2 "Leak of UPSI" means communication of information which is/deemed to be UPSI by any person, who is in possession of UPSI, to any other person, directly or indirectly, overtly, or covertly or in any manner whatsoever, except for legitimate purposes, performance of duties or discharge of legal obligations.

4.3 "Support Staff" shall include IT staff, secretarial staff and Accounts and Finance Department staff who have access to unpublished price sensitive information.

4.4 "Un-published Price Sensitive Information or UPSI" shall mean 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 include but not restricted to, information relating to the following:

- financial results;
- dividends;
- Changes in capital structure;
- mergers, de-mergers, acquisitions, delisting, disposal and expansion of business and such other transactions;
- changes in key managerial personnel;

5. DUTIES OF CHIEF INVESTOR RELATIONS OFFICER

The Chief Investor Relations Officer shall be responsible to;

5.1 Oversee the Compliance of this policy.

5.2 Report the incident of actual or suspected leak of UPSI to the Securities and Exchange Board of India.

5.3 Intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges.

5.4 To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Enquiry committee.

6. DISCLOSURE OF ACTUAL OF SUSPECTED LEAK OF UPSI TO STOCK EXCHANGES

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the Chief Investor Relations Officer shall ensure that the same shall be promptly intimated to the Stock Exchanges on which the securities of the Company are listed in the format as set out in "**Annexure A**" to this policy.

7. REPORT OF ACTUAL OF SUSPECTED LEAK OF UPSI TO SEBI

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the Chief Investor Relations Officer shall ensure that a report on such actual or suspect leak of UPSI, preliminary enquiry thereon and results thereof shall be promptly made to the SEBI in the format as set out in “**Annexure B**” to this policy.

8. CONSTITUTION OF INQUIRY COMMITTEE

The Board of Directors or any Committee authorized by them in this behalf, shall constitute a committee to be called as “Inquiry Committee”. The Inquiry Committee shall consist of minimum 3 (three) Members which shall include Executive Director, Chief Financial Officer and Compliance officer and any other officer of the Company as may be mutually decided by the members of the Committee.

If any member of Inquiry Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and other members of Inquiry Committee should deal with the matter on hand.

9. DUTIES OF INQUIRY COMMITTEE

The Enquiry Committee shall be responsible-:

- To conduct a preliminary enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any;
- To authorize any person to collect necessary support material;
- To decide disciplinary action thereon.

10. PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UPSI

On becoming aware of suomoto or otherwise, of actual or suspected leak of Unpublished Price Sensitive Information of the Company by any promoter, director, key managerial person, Insider, employee, designated person, support staff or any other known or un-know person, the Chief Investor Relations Officer after informing the same to the Executive Director of the Company, shall follow the below mentioned procedure in order to enquire and/or investigate the matter to ensure-:

10.1. Preliminary Enquiry:

Preliminary enquiry is a fact-finding exercise. The object of preliminary enquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark on any disciplinary action.

The Enquiry Committee shall appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

10.2 Report of Preliminary Enquiry to the Enquiry Committee:

The Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI submit his/her report to the Enquiry Committee within 7 working days from the date of his appointment on this behalf.

10.3 Disciplinary Action:

The Disciplinary action(s) shall include, wage freeze, suspension, recovery, termination of employment contract/agreement etc., as may be decided by the Members of the Committee.

11. AMENDMENT

The Board of Directors of the Company, subject to applicable laws, rules & Regulations, may amend/ substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy. In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

Annexure A
FORMAT FOR INTIMATION OF ACTUAL OR SUSPECTED LEAK OF UPSI TO THE STOCK EXCHANGES

To,
The Secretary,
The Bombay Stock Exchange,
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001.

Scrip Code: 539762

Sub: Intimation of actual or suspected leak of UPSI pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Dear Sir / Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Name of Offender, if known	
Name of Organization	
Designation (Employee, Insider, Designated Person or any other)	
Nature of Information	
Whether any action initiated by the Company? If yes, narration of the same	Yes/No

Request you to kindly take the aforementioned on your records.

Thanking you,

Yours faithfully

For **Modern Engineering and Projects Limited**

Annexure B

FORMAT FOR REPORTING ACTUAL OR SUSPECTED LEAK OF UPSI TO THE SEBI

To,
Securities and Exchange Board of India
Plot No. C 4-A, G Block,
Near Bank of India, Bandra Kurla Complex,
Bandra East, Mumbai – 400 051

Scrip Code: 539762

Sub: Intimation of actual or suspected leak of UPSI pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Dear Sir / Madam,

Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Name of Offender, if known	
Name of Organization	
Designation (Employee, Insider, Designated Person or any other)	
Nature of Information	
Whether any action initiated by the Company? If yes, narration of the same	Yes/No

Request you to kindly take the aforementioned on your records.

Thanking you,

Yours faithfully

For **Modern Engineering and Projects Limited**