



MINDA INDUSTRIES LIMITED

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSE

UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

Policy for Determination of Legitimate Purpose

1. Background

This “**Policy for Determination of Legitimate Purpose**” (‘**Policy**’) is framed by the Board of Directors of the Company pursuant to the amendment in (*Regulation 3(2A) and 3(2B)*) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”) and is part of “**Code of Conduct for fair disclosure of unpublished price sensitive information**” of Minda Industries Limited.

2. Applicability

This policy is applicable to all Insiders.

3. Definitions

(a) “Connected Person” means –

- (i) any person who is or has during the six months prior to the concerned act been associated with the 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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (ii) 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, -
 - (a) an immediate relative of connected persons specified in clause (i); or
 - (b) a holding company or associate company or subsidiary company; or
 - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (e) an official of a stock exchange or of clearing house or corporation; or
 - (f) 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
 - (g) 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
 - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - (i) a banker of the company; or

(j) 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;

(b) "Insider" means any person who is

- i) a Connected Person or
- ii) in possession of or having access to Unpublished Price Sensitive Information.
- iii) in receipt of unpublished price sensitive information pursuant to a "legitimate purpose"

(c) "Unpublished price sensitive information or UPSI" 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: –

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel.

4. Legitimate Purpose

"Legitimate Purpose" shall inter-alia include sharing of UPSI in the ordinary course of business or on need to know basis by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, rating agencies, investment bankers, due diligence service providers for the purposes of carrying out assignment for or on behalf of and/ for the benefit of Company and for carrying on his role or function and provided that such sharing has not been carried out to evade or circumvent the prohibitions of Regulations.

In following cases which are illustrative in nature, sharing of UPSI would be considered as legitimate purpose:

- I. As part of compliance with applicable laws or for investigation, inquiry or request for information under any proceedings or pursuant to any order of courts or tribunals or by any statutory or governmental authorities or any other administrative body under any law.
- II. Arising out of any contractual obligations or arrangement entered into by the Company set forth in any contract, agreement, arrangement, understanding or undertaking etc.
- III. Sharing of UPSI for any activities such as due-diligence for any kind of restructuring, namely mergers & acquisitions, joint venture agreements, share purchase agreements, franchisee agreement, etc.
- IV. Sharing the relevant UPSI with intermediaries, fiduciaries, merchant bankers, advisors, lawyers, bankers, consultants, valuers, auditors, insolvency professionals, business support agents, transaction processing service providers in order to avail professional services from them.

- V. Sharing the relevant UPSI with business partners is essential to fulfill the terms and conditions of a business contract with a client, vendor, collaborator, JV Partner or lender.
- VI. Sharing the relevant UPSI for advice, consultation, transaction support, intermediation and approvals in the process of evaluation of new products, business opportunities and new lines of business.

Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of the Regulations and shall comply with the Code.

5. Process for sharing UPSI

(a) The insider shall conduct the following steps while sharing UPSI:

- (i) Satisfy that information is UPSI and sharing is for legitimate purpose.
- (ii) Identify the persons with whom the information is to be shared.
- (iii) Notify the recipient, not being any statutory authority or court, that UPSI which is being shared should be kept confidential.

(b) The Company shall be responsible for maintaining a structured digital database containing the names of such persons or entities as the case may be with whom UPSI is shared along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database

6. Policy Review

The provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and any clarification issued by SEBI & Stock Exchange(s), shall automatically apply and be part of this Policy.

In the events of inconsistency of this Policy with any legal provisions, the provisions of the law shall override this Policy.