



MINDTECK (INDIA) LIMITED

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

Version	Created By	Checked By	Approved By	Date of Release
Version 1	Usha T N VP Legal and CS	-	Board of Directors	29.01.2010
Version 2	Shivarama Adiga S, VP Legal & CS	Yusuf Lanewala, CMD	Board of Directors	29-05-2015
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1. This Code of Conduct may be known as “**Mindteck Code of Conduct to Regulate, Monitor and Report Trading by Insiders.**” This Code of Conduct has been made pursuant to sub-regulation (1) and (2) of regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

2. Definitions:

2.1 "connected person" means-

(i) 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himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to Unpublished Price Sensitive Information (UPSI) or is reasonably expected to allow such access.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 SEBI Act, 1992 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;

2.2 “designated person” includes Promoter, Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, Legal Head, Chief Operating Officer, Executive Assistant to CEO, Legal and Secretarial Team, Finance Team, Marketing Team, Quality Team, IT Team, Department Heads, Internal Auditor, GEO Heads, all other employees two level below the CEO of the Company and its material subsidiaries.

2.3 “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;

2.4 “insider” means any person who is:

- i) a connected person; or
- ii) in possession of or having access to UPSI;
- iii) in receipt of UPSI pursuant to a legitimate purpose;

2.5 “Legitimate purpose” shall include sharing 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, provided that such sharing has not been carried out to evade or circumvent the prohibitions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

2.6 “Material subsidiary” shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

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

2.8 “Trading day” means a day on which the recognized stock exchanges are open for trading;

2.9 “unpublished price sensitive information” (UPSI) means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon 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, delistings, disposals, expansion of business and such other transaction;
 - v) Change in Key Managerial Personnel.
3. a) The Company Secretary will be the Compliance Officer of the Company for the purpose of this Code, who will report to the Company's Board and in particular, shall provide reports to the Chairman of the Audit Committee but not less than once a year. The Compliance Officer shall maintain record of Insiders.
- b) Managing Director and Chief Executive Officer shall be the designated official to oversee Corporate Disclosures.
4. This Code of Conduct shall be applicable to Designated persons and their immediate relatives and Insiders.
5. No designated person shall, either on his own behalf or on behalf of other person, deal in securities of the Company any UPSI. No designated person shall pass on any price sensitive information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company.
6. No designated person shall communicate any UPSI to any person except those within the Company who need the information for performance of duties, furtherance of legitimate purposes, or discharge of his legal obligation and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
7. No designated person shall communicate, counsel or procure, directly or indirectly, any UPSI to any person who while in possession of such UPSI shall not deal in the securities of the Company.

Provided that nothing contained in above clause nos. 5, 6 and 7 shall be applicable to any communication required in the ordinary course of business (or profession or employment) or under any law.

8. The Chinese Wall processes and procedures for permitting UPSI to any Designated person and to "Cross the Chinese Wall" is as under:
- 8.1 While dealing with or handling UPSI within the Company, the Company shall establish policies, procedures and physical arrangements (collectively "**Chinese Walls**") designed to manage confidential information and prevent the inadvertent spread and misuse of UPSI, or the appearance thereof.
 - 8.2 Chinese Walls shall be used to separate areas that have access to UPSI ("**Insider Areas**") from those who do not have such access ("**Public Areas**") within the Company.
 - 8.3 Where Chinese Walls arrangements are in place, Designated Persons working within an Insider Area are prohibited from communicating any Confidential or UPSI to Designated

Persons or any other person in Public Areas without the prior approval of the Compliance Officer.

8.4 Designated Persons within a Chinese Wall shall ensure the Chinese Wall is not breached deliberately or inadvertently. Known or suspected breaches of the Chinese Wall must be referred to the Compliance Officer immediately.

8.5 A Designated Person who does not have UPSI may cross the Chinese Wall to enter the Insider Areas only with the prior approval of the Compliance Officer and shall be subject to all restrictions that apply to such areas. Such 'crossing the wall' or 'bringing inside the wall' shall be subject to a process, and should include reasons as to why such a person is given access to such information, and provide for limits on the information on a need-to-know basis within the wall. While 'crossing the wall' or 'bringing inside the wall' such Designated Persons shall be made aware of the duties and responsibilities attached to UPSI and the liability for misuse or unwarranted use of such information.

8.6 The establishment of Chinese Walls does not imply that UPSI could be circulated freely within Insider Areas as the provision shall be applicable within Insider Areas also.

9. All designated persons will have to forward details of their securities transactions including the statement of their relatives to the Compliance Officer in the following manner:

- a) All holdings of securities in this company by the person concerned at the time of appointment and by others within a period of 7 days and subject to the conditions as specified in the clause 12 (1)(b) of this code.
- b) Quarterly statement of transactions in securities of the Company exceeding the threshold limit aggregates to a traded value in excess of ten lakh rupees or such other value as may be prescribed within two trading days of such transaction if the value of the securities traded. If there are no transactions in a particular Quarter, then 'NIL' statement is not required to be submitted.

10. All designated persons will have to keep files containing confidential information relating to UPSI fully secured. Computer files must be kept with adequate security of login and password, etc.

11. The designated persons shall be subject to Trading restrictions in the following manner:

(A) Trading Window Closure

1. Financial Results

The trading window will be closed from the end of every quarter and shall remain closed up to 48 hours after the declaration of financial results.

2. Other than Financial Results

The trading window shall be closed, when the compliance officer determines that designated persons and class of designated persons can reasonably be expected to have possession of UPSI listed below, before 15 days of its happening and shall

remain closed up to 48 hours after the publication of such information:

- a) Declaration of dividends (interim and final).
- b) Change in capital structure such as issue of securities by way of public/rights/bonus, etc.
- c) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions.
- d) Changes in Key Managerial Personnel.

Trading Window may be closed by the Company during such time in addition to the above period as it may deem fit from time to time.

(B) Restriction on Trading

No designated person shall conduct any dealing in the securities of the Company during the closure of the Trading Window. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of UPSI even if the trading window is not closed.

(C) Pre-clearance of Trades

- (i) All designated persons of the Company intending to deal in the securities of the Company exceeding the threshold limit of 1,000 shares, will have to make an application to the Compliance Officer in the prescribed form (Annexure-1) for pre-clearance of the transaction.
- (ii) Only after receiving the clearance, the transaction should be carried out.
- (iii) The execution of the order in respect of the security of the Company will have to be completed not more than seven trading days of the approval of pre-clearance, failing which fresh pre-clearance would be needed for the trades to be executed.
- (iv) The designated person who is permitted to trade shall not execute a contra trade (Reverse Trade) for a minimum period of 6 months from the date of the event or the transaction. This shall not be applicable for trades pursuant to exercise of stock options.

The Compliance Officer shall grant relaxation from strict compliance of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the SEBI (Prohibition of Insider Trading) Regulations, 2015. In case a contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the SEBI Board for credit to Investor Protection and Education Fund administered by the SEBI Board.

12. Disclosure of interest or holding of shares by certain persons.

(1) Initial Disclosures.

(a). Every promoter, member of the promoter group, key managerial personnel and director of every company whose securities are listed on any recognised stock exchange shall disclose his holding of securities of the company as on the date of SEBI (Prohibition of Insider Trading) Regulations, 2015 taking effect, to the company within thirty days of above regulations taking effect;

(b). Every person on appointment as key managerial personnel or a director of the company or upon becoming a promoter 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.

(2) Continual Disclosures.

(a). Every promoter, member of 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;

(b). Company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

Disclosures by other connected persons.

(3) Company whose securities are listed on a stock exchange 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 and at such frequency as may be determined by the company in order to monitor compliance with these regulations.

Disclosures by designated persons.

(4) Designated persons shall be required to disclose names and Permanent Account Number (PAN) or any other identifier authorised by law of the following persons to the company on an annual basis and as and when the information changes:

- i. Immediate relatives.
- ii. Persons with whom such designated persons share a **material financial relationship**.
- iii. Phone, mobile and cell numbers which are used by them.

[Note: "Material Financial Relationship" shall mean a relationship in which one person is 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 twenty five percent of such payer's annual income but shall exclude relationship in which the payment is based on arm's length transaction.]

13. Conditions on Dealing/ taking positions:

All designated persons who buy or sell any number of shares of the company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All designated persons shall also not take positions in derivative transactions in the shares of the company at any time.

- 14.** An Insider may formulate a trading plan and present it to the Compliance Officer for the approval. The Compliance Officer shall review and approve the trading plan, only if it is not violating the SEBI (Prohibition of Insider Trading) Regulations, 2015 and not abusing the market as well. Such trading plan shall be for a period minimum of 12 months and shall not entail to trade before 6 months from the date of public disclosure of the plan. Such trading plan shall not overlap of any period for which another trading plan is already in existence.

The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

After approval of the trading plan, the Compliance Officer shall make it public and notify the plan to the stock exchanges on which the securities are listed.

- 15.** The Company shall provide suitable protection against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against any employee who files a Voluntary Information Disclosure Form under SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, irrespective of whether the information is considered or rejected by SEBI or he or she is eligible for a Reward under SEBI (Prohibition of Insider Trading) Regulations, 2015, by reason of:

- i. Filing a Voluntary Information Disclosure Form under these regulations as per SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
- ii. Testifying in, participating in, or otherwise assisting or aiding SEBI in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by SEBI; or
- iii. Breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with SEBI in any manner.

Explanation 1. "Employee" means any individual who during employment may become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under SEBI (Prohibition of Insider Trading) Regulations, 2015 and is a Director, Partner, Regular or Contractual Employee, but does not include an advocate.

Explanation 2. Nothing in SEBI (Prohibition of Insider Trading) Regulations, 2015 shall require the employee to establish that,-

- (i) SEBI has taken up any enforcement action in furtherance of information provided by such

person; or

(ii) the information provided fulfils the criteria of being considered as an Original Information under SEBI (Prohibition of Insider Trading) Regulations, 2015.

16. Penalty for Violation of Code:

Insiders who trade in securities or communicate any information for trading in securities in contravention of this Code of Conduct will be penalized and the Company will take appropriate action against them after giving reasonable opportunity to them to show-cause. They shall also be subject to disciplinary action including wage freeze, suspension, recovery, clawback, ineligibility for future participation in ESOP, etc.

In addition to the action that may be taken by the Company, the persons violating these Regulations will also be subject to action by SEBI as per SEBI Act. In case of any violation, the Company shall inform SEBI accordingly. If any person violates provisions of these regulations, he shall be liable for appropriate action under Sections 11, 11B, 11D, Chapter IV and Section 24 of the SEBI Act.”

Present Compliance Officer:

Mr. Shivarama Adiga S.

VP, Legal and Company Secretary

Phone: **+91 80 4154 8013**

Email: **shivarama.adiga@mindteck.com**

Annexure- 1
Application of Pre-Clearance for Trading

To,
The Compliance Officer
Mindteck (India) Limited
Bangalore

Name of the applicant	
Designation	
Employee Pay Roll No.	
Number and value of securities in the Company held as on date (with folio / DP ID / Client ID No.)	
Nature of securities held	*Equity Shares / Other Securities
The Proposal is for	<ol style="list-style-type: none"> 1. Acquisition in the Open market/Off market 2. Subscription to the Securities 3. Sale of Securities
Proposed date of dealing in securities	
Nature of proposed dealing	Purchase / Sale of securities
Estimated number of securities proposed to be acquired/ Subscribed /sold	
Price at which the transaction is proposed	
Current market price (as on the date of application)	
Whether the proposed transaction will be through stock exchange or off market deal	
Name of the Depository DP ID Number Client ID number	

* strike whichever is not applicable.

In relation to the above Trading, I undertake that:

1. I have no access to, nor do I have any information that could be construed as "**Unpublished Price Sensitive Information**" (**U P S I**) as defined in the Code up to the time of signing this undertaking;
2. In the event that I have access to or received any information that could be construed as "**U P S I**" as defined in the Code, after the signing this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public;
3. I have not contravened the provisions of the **Mindteck Code of Conduct to Regulate, Monitor and Report Trading by Insiders** as notified by the Company from time to time;
4. I have made full and true disclosure in the matter and have not concealed or misrepresented any information.
5. I hereby declare that I shall execute my order in respect of securities of the Company within **one week** after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, I undertake to obtain pre-clearance for the transaction again.
6. I hereby confirm that I shall not engage in the reverse transaction i.e. Buying/Selling of shares, within 6 (SIX) months of earlier Buying/Selling respectively.
7. I am aware that I should disclose to the company in the prescribed form as per SEBI (Prohibition of Insider Trading) Regulation 2015 to Mindteck, the number of securities acquired or disposed off within 2 (two) days of such transaction, if the value of the securities traded, whether in one transaction or a series of transactions in any calendar quarter, aggregates to Rs.10,00,000 (Rupees ten lakh only) or such other value as may be specified;
8. I have also noted that the Statutory disclosure of trades applies not only those trades executed by me but also by my immediate relatives and other persons for whom I take trading decisions, since the **SEBI (Prohibition of Insider Trading) Regulation 2015** is primarily aimed at preventing abuse by trading when in possession of **U P S I** and as per Regulations what matters is whether the person who takes trading decision is in possession of **U P S I** rather than whether the person who has title to the trades is in possession of **U P S I**.

Place: Bangalore
Date:

Signature

PRE CLEARANCE ORDER

This is to inform you that your request for dealing in _____ (only) Equity Shares of Mindteck (India) Limited as mentioned in your abovementioned application is approved.

Please note that the said transaction must be completed on or before _____ that is within **one week** from today.

For Mindteck (India) Limited,

Compliance Officer

Date:

CONFIRMATION

To
The Compliance Officer
Mindteck (India) Limited
Bangalore

I hereby confirm that the approval granted for **Share Trading** [Buying/Trading] of Mindteck (India) Ltd. on _____ is completed on _____ as under:

1. _____ shares @ Rs _____
2. _____ shares @ Rs _____
3. _____ shares @ Rs _____
4. _____ shares @ Rs _____
5. _____ shares @ Rs _____
6. _____ shares @ Rs _____
7. _____ shares @ Rs _____

TOTAL Shares _____ **Total Amount** _____

(Rupees.....only)

Employee Name:

Designation:

Pay Roll No.:

Date: