



JAMNA AUTO INDUSTRIES LIMITED

CODE OF CONDUCT FOR INSIDER TRADING

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In line with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time, (hereinafter referred to as the "Regulations") the following is the Code of Conduct (hereinafter referred to as the 'Code') initially implemented from 1st January 2006 for prevention of Insider Trading in the securities of the company herein now duly updated up to 30th January 2009.

1. **DEFINITIONS** :

1.1 Compliance Officer: Company Secretary of the Company. In absence of the Company Secretary the Board of Directors may authorize any Officer of the Company to discharge the duties of Compliance Officer under the regulations.

1.2: Designated Employees means:

1. All employees of the Company at Assistant General Manager Level and above.
2. All employees, irrespective of above level, employed in the Finance and Secretarial Department, as well as in the Offices of the Chairman / Managing Director / Executive Director, by whatever name designated and such other employees who may be so designated, from time to time, by the Company for the purposes of this Code and who would be reasonably expected to have access to unpublished price sensitive information relating to the Company as defined in this Code or the Regulations.

1.3: Dealing in Securities means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities by any person either as principal or agent.

1.4 : Dependent means Spouse and unmarried son/ daughter till he/she attains the age of 21 years or starts earning Rs. 5000/- p.m. whichever is earlier.

1.5: Employee means a person who is in temporary or permanent employment of the company including the Designated Employee and who would be reasonably expected to have access to unpublished price sensitive information relating to the Company.

1.6: Insider means any person who is or was connected with the Company or is deemed to have been connected with the Company, and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of the Company or who has received or has had access to such unpublished price sensitive information.

1.7 Officer means any person as defined in Section 2(30) of the Companies Act, 1956 including an auditor of the Company.

1.8: Price Sensitive Information means any information which relates directly or indirectly to Company and which if published is likely to materially affect the price of securities of company. In additions to above, the following shall be deemed to be price sensitive information:

- (a) Declaration of financial results (quarterly, half-yearly and annually).
- (b) Declaration of dividends (interim and final).
- (c) Issue of securities by way of public/rights/bonus etc.

- (d) Any major expansion plans or execution of new projects.
- (e) Amalgamation, mergers, takeovers and buy-back.
- (f) Disposal of whole or substantially whole of the undertaking.
- (g) Any changes in policies, plans or operations of the company.

1.9: Unpublished means information which is not published by the company or its agents and is not specific in nature.

Explanation: Speculative reports in print or electronic media shall not be considered as published information.

1.10: Securities means the company's securities, debentures, bonds and other instrument that are traded on any Stock Exchange.

If there are no specific definitions in the Code in respect of terms used herein, these shall have the same meaning assigned to them in SEBI (Prohibition of Insider Trading) Regulations, 1992 firstly and then, Companies Act, 1956 and/ or any other SEBI regulation, as amended from time to time.

2.0 DUTIES OF COMPLIANCE OFFICER :

Compliance Office shall act under the overall supervision of the Board and shall be responsible for :

1. establishing policies, procedures and monitoring adherence to the Code under the overall supervision of the Board.
2. maintenance of records of director/ officer and designated employees and any changes therein and shall report the same to the Board.
3. pre-clearance of trades of directors/ officers and designated employees and their dependence.
4. monitoring of trades and implementation of the Code.
5. maintenance of records of all the declarations given by the directors/ officers/ designated employees for a minimum period of three years.
6. Maintaining all the details of the dealing in the securities by employees/ directors/ officer of the company and all accompanying documents to be placed before the managing director/ chief executive officer or a committee specified by the company, on case-to-case basis, in respect of persons who had dealt into securities of the company under the pre-dealing procedure as envisaged in this code.

3.0 PRESERVATION OF "PRICE SENSITIVE INFORMATION"

3.1: Applicable to directors/ officers and employees including designated employees.

3.2: Directors / officers / employees shall maintain the confidentiality of all price sensitive information and 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.

3.3: Unpublished price sensitive information is to be handled on a "need to know" basis i.e. unpublished 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 the information.

3.4 Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

4.0 PREVENTION OF MISUSE OF "PRICE SENSITIVE INFORMATION"

4.1: Applicable to Directors/ Officers and designated employees.

4.2: Directors / officers and designated employees shall be subject to trading restrictions as enumerated below. The Company shall specify a trading period, to be called "trading window", for trading in the company's securities. The trading window shall be closed during the time the following information is unpublished:

- (a) Declaration of financial results (quarterly, half-yearly and annually).
- (b) Declaration of dividends (interim and final).
- (c) Issue of securities by way of public/ rights/ bonus etc.
- (d) Any major expansion plans or execution of new projects.
- (e) Amalgamation, mergers, takeovers and buy-back.
- (f) Disposal of whole or substantially whole of the undertaking.
- (g) Any changes in policies, plans or operations of the company.

4.3 : The trading window shall be closed 2 day before and shall remain closed after 1 day of the each Board Meeting in which any material, price sensitive and unpublished event, including the above, are proposed.

4.4 : When the trading window is closed all Directors / Officers and designated employees shall not trade in the company's securities during such period.

4.5 : All directors/ officers/ designated employees shall conduct all their dealings in the securities of the company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the company's securities during the period when trading window is closed or during any other period as may be specified by the company from time to time.

4.6: In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of securities allotted on exercise of ESOPs shall not be allowed when trading window is closed.

5.0 PRE-CLEARANCE OF TRADES

5.1 All directors/ officers/ designated employees who intend to deal in the securities of the company by them or through their dependent family members, 25000 or above securities should pre-clear the transaction in accordance with following terms & conditions:

5.2 Terms & conditions :

- i. An application has to be made to the Compliance Office in the format as provided in **Form I**.
- ii. The Compliance officer will scrutinize the application within 2 working days of submission and communicate the approval/ refusal (along with reasons therefore) to the applicant. Decision of Compliance Officer will be final.

- iii. In the absence of compliance officer, the application will be decided by the Managing Director.
- iv. All director/ officers/ designated employees and/ or their dependent family members shall execute their 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, the director/ officer/ designated employee concerned must pre-clear the transaction again.
- v. In case of sale of securities is necessitated by personal emergency, the holding period may be waived or reduced by the compliance officer after recording in writing his/ her reasons in this regard.

6.0: HOLDING PERIOD

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

In the case of subscription in the primary market initial public offers), the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

7.0: DISCLOSURES

7.1: Applicable to Directors/ Officers and designated employees.

7.2: All directors/ officers/ designated employees shall forward following details of their securities transactions including the statement of dependent family members to the compliance officer:

Time of Disclosure	Disclosures
Pre-clearance of securities for 25000 or above securities, as and when basis.	An application to be submitted by director/ officer/ designated employees and/ or their dependent family members as per Form 'I' .
Within 15 working days of 6 months ended 30 th June and 31 st December every year.	Details of transaction in securities of the company by director/ officer/ designated employees and/ or their dependent family members during six months ended on 30 th June and 31 st December respectively as per Form 'II' .
Within 15 working days of joining of the company and 12 months ended 31 st March every year.	Statement of holding in all securities of the company by director/ officer/ designated employees and/ or their dependent family members as on joining of the company and 31 st March each year as per Form 'III' .

8.0 : PENALTY FOR CONTRAVENTION OF CODE OF CONDUCT.

- 8.1:** Any employee/ officer/ director who trade in securities or communicates any information for trading in securities in contravention of the code of conduct may be penalized and appropriate action may be taken by the company.
- 8.2:** Employees/ officers/ directors of the company who violate the code of conduct shall also be subject to disciplinary action by the company, which may include wage freeze, suspension, ineligible for future participation in employee stock option plans etc.
- 8.3** Action by the company shall not preclude SEBI from taking any action in the case of violation of the SEBI (Prohibition of Insider Trading), Regulations, 1992.
- 8.4** In case it is observed by the company/ compliance officer that there has been a violation of the SEBI (Prohibition of Insider Trading) Regulation, 1992, the SEBI shall be informed by the company.

Annexure ' I '

Dated :

The Compliance Officer
Jamna Auto Industries Limited
No. 2, Park Lane,
Kishangarh, Vasant Kunj,
New Delhi - 110070

Sub : Application for Pre Clearance of trade in terms of SEBI (Prohibition of Insider Trading) Regulations, 2002.

Dear Sir,

I _____ S/D/W/o _____, being a Director / Officer / Designated Employee of Company and/ or their dependent family members, hereby seek your approval for :

- a) buying _____ (number) of _____ (type of security) of the company in my/ dependent family members' name;
- b) Selling _____ (number) of _____ (type of security) of the company in standing in my/ dependent family members' name;

Through Stock Exchange / private arrangement with Ms. /Mr/ Mrs _____ having Folio no. / DP & Client ID No. _____.

As on date I/my dependent family members hold the under mentioned securities of the company :

Name of Holder	Folio No. / DP & Client ID No.	Type of Securities	No. of Securities.

I further undertake and confirm that :

- a. I do not have any access to nor in receipt of any "Price Sensitive Information" upto the time of signing this undertaking.
- b. In case I get access to or receive any "Price Sensitive Information" subsequent to the signing of this undertaking but prior to the execution of the transaction I shall inform you of the change in my position and that I would completely refrain from dealing in the securities of the company till the time such information becomes public.
- c. I have not contravened the code of conduct for prevention of insider trading as notified by the company from time to time.
- d. I have made a full and true disclosure in the matter .
- e. I/ my dependent family shall execute the transaction in respect of the proposed securities of the company within one week after the approval of pre-clearance is obtained . In the event of the transaction not being executed within one week from the said approval, I shall again apply for

- pre clearance approval for the transaction.
- f. I/ my dependent family members undertake to hold the said securities for a minimum period of 30 days in order to be considered as being held for investment purposes.

Yours Faithfully

Name

Designation

Signature

Annexure 'II'

Dated :

The Compliance Officer
Jamna Auto Industries Limited
No. 2, Park Lane,
Kishangarh, Vasant Kunj,
New Delhi - 110070

Sub : Disclosure of Interest/ Shareholding in terms of SEBI (Prohibition of Insider Trading) Regulations, 2002.

Dear Sir,

I _____ S/D/W/o _____, being a Director / Officer / Designated Employee of Company and/ or their dependent family members, do hereby declare that the following securities of the company are held by me/ my dependent family member as on _____ / _____ (date of joining the company for new employees):

Name of Holder	Folio No. / DP & Client ID No.	Relationship with director/ officer/ designated employee	Type of Securities	No. of Securities.

Yours Faithfully

Name

Designation

Signature

Annexure 'III'

Dated :

The Compliance Officer
Jamna Auto Industries Limited
No. 2, Park Lane,
Kishangarh, Vasant Kunj,
New Delhi - 110070

Sub : Disclosure of Interest/ Shareholding in terms of SEBI (Prohibition of Insider Trading) Regulations, 2002.

Dear Sir,

I _____ S/D/W/o _____, being a Director / Officer / Designated Employee of Company and/ or their dependent family members, do hereby declare that the following are the details of transaction in the securities of the by me/ my dependent family member during the half year ended _____.

Name of Holder	Folio No. / DP & Client ID No.	Relationship with director/ officer/ designated employee	Purchase / Sale	Date of transaction	Type of Security	No. of security

Yours Faithfully

Name

Designation

Signature