

G N A AXLES LIMITED

Policy for Prohibition of Insider Trading as per SEBI (Prohibition of Insider Trading) Regulations, 2015

THE CONCEPT:

The SEBI (Prohibition of Insider Trading) Regulations, 2015 have been devised by the Securities and Exchange Board of India to deter the practice of Insider Trading in the shares of listed companies. The objective is to make for a level playing field for the company employees and the outside investors in the securities there by ensuring transparency and fair play in securities' transaction(s). SEBI seeks to achieve this objective through barring insiders of a listed company to deal in its securities, while in possession of unpublished price sensitive information.

DEFINITIONS:

“Act” means the Securities and Exchange Board of India Act, 1992 (15 of 1992);

“Board of Directors” means the Board of Directors of G N A Axles Limited;

“Code or Code of Conduct” shall mean the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring & Reporting of Trading by Insiders of G N A Axles Limited as amended from time to time.

“Company” means GNA Axles Limited.

“Compliance Officer” means any senior officer, designated so and reporting to the Board of Directors or head of the organization in case Board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board of directors of the listed company or the head of an organization, as the case may be;

"Insider" means any person who is:

- i) connected person; or
- ii) in possession of or having access to unpublished price sensitive information;

Insider Trading thus refers to a practice where by a person's access to confidential (inside) and non-published (Advance) information gives him an unfair advantage over others in the trading of a company's securities.

“Trading Window” means a trading period for trading in Company’s securities as specified by the Company from time to time.

“Unpublished Price Sensitive Information” means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon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, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel; and
- (vi) material events in accordance with the listing agreement.

APPLICABILITY:

The policy is applicable to the following categories of persons including their dependent family members:

- 1. All Directors of the Company**
- 2. Chief Executive Officer of the Company.**
- 3. All Departmental heads of the Company.**
- 4. Chief Financial Officer of the Company.**
- 5. Company Secretary of the Company**

The policy is also applicable to any person who is a **Promoter or Part of Promoter Group.**

COMPLIANCE OFFICER AND DUTIES OF COMPLIANCE OFFICER:

1. The Company Secretary shall be the Compliance Officer for the purposes of the Code.
2. The Compliance Officer shall be responsible for reporting on insider trading to the Board of Directors of the Company and in particular, shall provide reports to the Chairperson of the Audit Committee and to the Chairperson of the Board of Directors on quarterly basis.
3. The Compliance Officer shall assist all employees in addressing any clarifications regarding the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct.

TRADING PLANS:

- 1) An insider shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a “Trading Plan”) and present it to the Compliance Officer for approval and public disclosure pursuant to which Trades may be carried out in his behalf in accordance with such plan.
- 2) The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI Regulations and shall disclose the Trading Plan to the stock exchanges.
- 3) The Trading Plan once approved shall be irrevocable and the Designated Person 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. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Designated Person is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information. Further, the Designated Person shall also not be allowed to Trade in securities of the Company, if the date of Trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

TRADING WINDOW, TRADING PERIOD AND TRADING LIMIT:

All the Directors/Designated employees (as well as their dependants) and Promoters or Person who is part of Promoter Group 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 the trading window is closed.

Trading Window shall be closed at least 7 days before the date of Board Meeting related with any item of the UPSI. Trading window shall open 48 hours after the UPSI is published or made available to the general public.

There is no restriction for trading of securities of value for less than INR 10,00,000/, during a Calendar quarter when the trading window is open.

All the Directors/Designated Employees (as well as their dependants) and Promoters or Person who is part of Promote Group who intend to deal in shares (not less than INR 10,00,000/ in value in one calendar quarter) should get prior-clearance of the transaction as per the procedure:

1. When the Trading Window is open, the Designated Persons may Trade in the securities of the Company above the threshold limit mentioned above after obtaining clearance from the Compliance Officer by submitting an application as per Annexure 1 and an Undertaking as per Annexure 2.

2. The Compliance Officer may not approve any proposed Trade by Designated Person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.
3. The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval.
4. The Designated Person shall, within two days of the execution of the Trade, submit the details of such Trade to the Compliance Officer as per Annexure 3. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.
5. If the pre-cleared Trade is not executed within seven trading days after the approval is given, the Designated Person must secure pre-clearance of the transaction again.
6. A Designated Person who Trades in securities without complying with the pre-clearance procedure as above or gives false undertaking and / or makes misrepresentation in the undertaking executed by him / her while complying with the pre-clearance procedure he / she shall be subjected to the penalties as envisaged in the Code.
7. Nothing in this rule shall apply to any Trade involving a value less than Rs 10 Lakhs or such other amount as may be specified by the Board of Directors from time to time (a “de minimis Trade”) provided the Designated Person is not in possession of UPSI while executing the de minimis Trade.

DISCLOSURES:

1. Every person on appointment as a Key Managerial Personnel or a director of the Company or upon becoming a Promoter shall disclose his or her holding of securities of the Company as on the date of appointment or on becoming a promoter to the Company within 7 days of such appointment or becoming a Promoter as per Form – A annexed.
2. Every promoter, director and employee of the Company shall disclose to the Company on becoming a promoter as per Form - B, the number of such securities acquired or disposed off within 2 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 Rs.10 lakhs.
3. The compliance officer shall notify to the stock exchange where the securities of the Company are listed within 2 trading days of the receipt of the disclosure or from becoming aware of such information.

4. The Compliance Officer shall notify the stock exchanges, particulars of the Trades, within two trading days of the receipt of the Continual Disclosure or from becoming aware of such information.

5. Every promoter, director and Designated Person of the Company shall disclose their holding of Securities on annual basis within 60 days from conclusion of every financial year of the Company.

PROHIBITION ON DISCLOSURE OF UPSI:

The Directors/Designated Employees/Promoters or Person who is part of Promoter Group shall maintain the confidentiality of all 'Unpublished Price Sensitive Information' (UPSI) and shall not disclose or communicate or counsel or procure directly or indirectly the UPSI to any person (except sharing of information by the nominee directors with their nominating authorities) until the same is made available to the general public. The Directors/Designated Employees/Promoters or Person who is part of Promoter Group, when in possession of UPSI shall not buy/sell securities of the Company either on their own behalf or on behalf of any other person.

CONTRA TRADES

The designated persons shall not execute a contra trade within six months from the date of execution of the trade. If any contra trade is executed, inadvertently or otherwise, in violation of the regulations or this policy the profits from such trade shall be liable to be disgorged for remittance to the Securities & Exchange Board of India for credit to the Investor protection and Education Fund.

PENALTY FOR CONTRAVENTION OF THE CODE.

1. Any Designated Person who trades in Company's securities or communicates any information for trading in securities in contravention of the Code shall be subject to disciplinary action by the Company, which may include wage freeze, suspension or termination etc.
2. Notwithstanding any penal action taken by the Company, the SEBI may take appropriate action against the Designated Person for violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.
3. In case, it is observed by the Company / Compliance Officer that there has been a violation of the Code, the Company / Compliance Officer will inform SEBI of such violation.

AUTHORITY TO MAKE ALTERATION.

The Board of directors are authorised to make such alterations to this Code as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Annexure 1

APPLICATION FOR PRE TRADING APPROVAL

To,

The Compliance Officer
G N A Axles Limited

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Insider Trading Policy, I seek approval to purchase / sell / subscribe _____ number of equity shares of the Company as per details given below:-

1	Name of applicant	
2	Designation	
3	Number of securities held as on date	
4	Folio No/ DP ID Client ID	
5	The Proposal is for	i. Purchase of shares ii. Sale of shares iii. Subscription to shares
6	Proposed date of trading in shares	
7	Estimated number of shares to be transacted	
8	Current Market Price (as on date of application)	
9	Whether the proposed transaction will be through market or off market trade	
10	Folio No / DP ID Client ID where shares will be credited / debited	

I enclose herewith the undertaking signed by me.

Signature :

Name :

Date:

Annexure 2

UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE

To,
The Compliance Officer,
G N A Axles Limited

I, _____, _____ of the Company residing at _____, am desirous of trading in _____ shares of the Company as mentioned in my application dated _____ for pre-clearance of the transaction.

I further declare that I am not in possession of any unpublished price sensitive information up to the time of signing this Undertaking.

In the event that I have access to or receive any unpublished price sensitive information after the signing of 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 trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Rules as notified by the Company from time to time.

In the event of this transaction being in violation of the Rules or the applicable laws, (a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons, (b) I will compensate the indemnified persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

I undertake to submit the necessary report within two days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the trade within seven days of the receipt of approval failing which I shall seek pre-clearance afresh.

I declare that I have made full and true disclosure in the matter.

Signature : _____

Name:

Date

Annexure 3

DISCLOSURE OF TRANSACTIONS

(To be submitted within 2 days of transaction / trading in securities of the Company)

To,

The Compliance Officer,
G N A Axles Limited.

I hereby inform that I

-----have not bought / sold/ subscribed any securities of the Company

-----have bought/sold/subscribed to _____ securities as mentioned below on ____ (date)

(Strike out which ever is not applicable)

Name of Holder	No. of securities traded	Bought / Sold	DP ID / Client ID	Price (Rs)

I hereby declare that the above information is correct and no provisions of the Company's Rules and or other applicable laws / legislations have been contravened for affecting the abovesaid transaction(s).

Signature

Name :

Date:

FORM A**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (1) (a) read with Regulation 6 (2)]****Name of the company: G N A AXLES LIMITED****ISIN of the company: INE934S01014**

Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person (Promoters / KMP / Directors/i mme diate relatives/ot hers etc.)	Securities held as on the date of regulation coming into force		% of Sharehold ing	Open Interest of the Future contracts held as on the date of regulation coming into force	
		Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notiona l value in Rupee terms

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place:

FORM B

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2)]

Name of the company: G N A AXLES LIMITED

ISIN of the company: INE934S01014

Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2)

Name, PAN No., CIN/DIN, & address of Promoter/Employee / Director with contact nos.	Category of Person (Promoters / KMP / Directors/ immediate relatives/ others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/ public rights/ preferential offer / off market/ Inter-se transfer etc.	Trading in derivatives (Specify type of contract, Futures or Options etc.)				Exchange on which the trade was executed
		Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy		Sell		
												Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

Note: “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Name:

Signature:

Date:

Place: