

# Bimetal Bearings Limited

Administrative Office : No.18, Race Course Road, Coimbatore - 641 018.  
CIN : L29130TN1961PLC004466

P.B. No. : 3772  
Telephone : 0422 - 2222228  
Mobile : +91 97902-46890  
E-mail : vidhyashankar@bimite.co.in  
Company Secretary & Compliance Officer  
Website : www.bimite.co.in

Manufacturers of **BIMITE** Thinwall Bearings, Bushings and Thrust Washers

Ref: CSD/SE/085

17<sup>th</sup> June 2019

Bombay Stock Exchange Ltd.,  
P.J.Towers  
Dalal Street, Fort,  
Mumbai - 400 001

/ Electronic Filing /

Sirs,

## Intimation pursuant to Regulation 8(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015

#####

We hereby confirm that the Board of Directors at their meeting held on 30<sup>th</sup> May 2019 approved the following codes in connection with the latest guidelines issued by the Securities and Exchange Board of India (SEBI) on Insider Trading of securities namely,

1. Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information
2. Policy for determination of "Legitimate Purpose"
3. Code of conduct to Regulate, Monitor and Report Trading by Insiders

The approved codes are also being hosted in the website of the company i.e. [www.bimite.co.in](http://www.bimite.co.in).

Further the Board of Directors has appointed Mr.K.Vidhya Shankar, Company Secretary as the Chief Investor Relations Officer (CIRO) in connection with the implementation of the latest provisions relating the guidelines on insider trading issued by Securities and Exchange Board of India (SEBI) and adopted by the company.

For Bimetal Bearings Limited



S.Narayanan

Whole-time Director

(REGD. OFFICE : HUZUR GARDENS, SEMBIAM, CHENNAI-600 011)

A MEMBER OF THE AMALGAMATIONS GROUP



**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

Pursuant to Regulation 8 (1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter called as “Regulations”), a code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information frame a code and amended to be effective from 01<sup>st</sup> April, 2019 to disseminate Unpublished Price Sensitive Information [“UPSI”] universally, and not selectively. This Code lays down principles, procedures and practices to be followed by the Company pertaining to uniform and fair disclosure of UPSI.

**I. Adherence to the Code:**

The Code shall apply to every disclosure of UPSI arising from time to time to make it Generally Available Information (“GAI”). The exceptions as given in the PIT Regulations shall be applicable for the purpose of this Code as well.

The Board and senior management team are expected to conduct themselves in a manner that meets the expectations of stakeholders through operational transparency while at the same time maintaining confidentiality of information to the extent needed to meet business objectives. The ultimate responsibility for ensuring effective compliance of the requirements of this Code lies with the Board.

**.DEFINITIONS:**

A) **Chief Investor Relations Officer (CIRO)** means the Company Secretary of the Company who has been assigned with the specific responsibility to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner. CIRO shall be responsible for determining whether disclosure of any UPSI has been made as per the permitted disclosures and for legitimate purposes as prescribed in this Code.

CIRO Shall report to the Audit Committee of the Board on a quarterly basis about the status of this Code.

B) **“Disclosures to Public”** means acting as governance bodies and making disclosures about the Company and on behalf of the Company, through press reports or media or interviews or announcements etc.

C) **“Disclosures to Third Parties”** means making disclosures to persons or entities in the course of the routine performance of duties.

D) **“Generally available information (“GAI”)** means information that is accessible to the public on a non-discriminatory basis.

E) **“Insider”** means any person as defined under Regulation 2[1(g)] of PIT Regulations.

F) **“Need to Know basis”** means that the person or entity in possession of UPSI should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will

**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information-** (Contd.)

not give rise to a conflict of interest or appearance of misuse of the information.

- G) Permitted Insider means at the Board level, the Chairman and the Managing Director & Chief Executive Officer of the Company and at the senior management level, President & Chief Operating Officer (if any), Chief Financial Officer and Company Secretary of the Company. Permitted Insiders at the Board level and Senior management level shall in consultation with CIRO and also with the Managing Director (Chief Executive Officer) make disclosures to public and / or disclosures to third parties in accordance with the Permitted Disclosures and for Legitimate Purposes as stipulated in this policy.
- H) **“Permitted Employee”** means any other Employee of the Company who may have access to or be in possession of UPSI but who shall be specifically permitted in writing to make permitted disclosures to 3<sup>rd</sup> parties only for Legitimate Purposes. However no Permitted employee shall suo motto make or be permitted by CIRO to make any disclosures to public on behalf of the Company.
- I) **“Other Insider”** means an Insider other than Permitted Insider and Permitted Employee.
- J) **“Trading”** means and includes subscribing, buying, selling, dealing, pledging or agreeing to subscribe, buy, sell, pledge or deal in any securities, and "trade" shall be construed accordingly.
- K) **Unpublished Price Sensitive Information (“UPSI”)** means any information, relating to the 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; and
  - (v) changes in Key Managerial Personnel.

**II. Functions of the Chief Investor Relations Officer**

- A) Ensuring uniform dissemination and public disclosure of UPSI in order to make it GAI.
- B) Determination of questions as to whether any particular information amounts to UPSI.
- C) Dealing with and providing advise to any query raised by any person or “Insider” about adhering to the provisions of the Code.

**D) Safeguarding the Disclosure Policy:**

- i) The CIRO shall ensure that if an Insider selectively, inadvertently or otherwise discloses any UPSI to any person/s, then prompt disclosure of such information shall be made by the CIRO to the public and take all necessary steps to make the UPSI a GAI. Such disclosure must be made immediately when the CIRO learns that communication of such UPSI has taken place.
- ii) In order to identify such disclosures, CIRO shall establish mechanisms to inter-act on constant basis with Persons or Entities designated for these purposes.
- iii) CIRO shall corroborate the information found to have been disclosed on the basis of information from any source and ascertain if such disclosure has been made for legitimate purposes only. If it is found to have emanated from an unauthorised source, CIRO shall do a deeper probe so as to ensure that there is no leakage of information that is UPSI.
- iv) The CIRO shall ensure that intimation of “Insiders” under Regulation 9 of the PIT Regulations as and when need arises.

**E) Monitoring Permitted Disclosures**

CIRO shall ensure that any UPSI about the Company may be disclosed to third parties only for the following purposes and these shall be deemed as “Permitted Disclosures” for the purpose of this Code:

1. For legitimate business purposes
2. For performance of routine or assigned duties
3. To discharge statutory obligations.
4. To discharge statutory obligations.
5. To Persons or Entities who have expressly executed Non-Disclosure Agreements or agreed in writing to keep the information confidential, such as potential customers, joint venture partners and vendors, and who have undertaken to be bound by such agreements and who are committed not to trade in the securities of the Company on the basis of such information.

Disclosures to public shall be considered as Permitted Disclosures in case it is made to ensure that UPSI becomes generally available.

“**Permitted disclosures**” shall not include communication of UPSI in connection with a transaction that would entail applicability of any of the provisions of SEBI [Substantial Acquisition of Shares and Takeovers] Regulations, 2011. Further sharing of Permitted disclosures shall not be carried out to evade or circumvent the prohibitions of the PIT regulations.

Other Insiders shall when in possession of UPSI not to make any disclosures to third parties unless they specifically seek written consent from CIRO prior to making disclosure of UPSI as permitted disclosure and for legitimate purpose. However Other Insiders are strictly prohibited from making any disclosures to public.

**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information-** (Contd.)

- ii. **Modes of Disclosures:** Subject to Applicable Law, methods adopted by the Company and its insiders for public disclosure of information to ensure uniform distribution shall include all or either of the following:
1. Dissemination through Press Releases in newspapers, broad-based electronic, print, television and other media.
  2. Creating or participating in webinars or webcasts by authorised officials of the Company.
  3. Filing with the Stock Exchanges including reporting through System Driven Disclosures.
  4. Uploading the information on the website of the Company.
  5. Any other method that ensures wide distribution of the news or announcements related to the Company, which may otherwise be price sensitive.

CIRO shall be responsible for ensuring that accurate modes of disclosure are adopted and the information published or made generally available about the Company are true and factual.

- iii. **Obtain and Approve Disclosures and ensure Maintenance of Records**  
The CIRO shall ensure that the following best practices are adopted by the Company before making any disclosures to the public:
1. Prior intimation and written consent and clearance is obtained from CIRO to the official email id **vidhyashankar@bimite.co.in** / Regd. Post marked as "UPSI Disclosure" prior to making a public disclosure or announcement by any Permitted Insider and Permitted Employee of the Company. Other Insiders must mandatorily seek prior written consent and clearance from CIRO.
  2. Providing guidance as to how unanticipated questions regarding a particular information can be tackled by any Permitted Insider or Permitted Employee or other Insiders making the disclosure.
  3. Ensuring that transcripts or records of proceedings of meetings with analysts, investors and conferences are made and uploaded on the official website of the Company to ensure official confirmation and documentation of disclosures made by the Company.
  4. Uploading any presentation used by the analyst in the above mentioned meetings, on the website of the Company.
  5. Uploading on the Company's website, any material information about business plans of the Company provided in response to analyst queries or during discussions in a meeting or any other information which may lead to price discovery has been shared.
  6. Publication of policies on the website which have an impact on investors or securities markets like dividend policy etc.

**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information-** (Contd.)

7. Ensure that no comment is passed by any Permitted Employee or other Insider of the Company on market rumors. Only Permitted Insiders shall provide comments on market rumors in case of request from regulatory authorities to verify such rumors
8. The CIRO shall provide appropriate and fair responses to queries raised in relation to determine whether any information is a UPSI or not. The CIRO shall also respond to any news reports that may raise questions on any announcements made by the Company.

**iv. Need to know handling of UPSI**

1. Company shall handle UPSI only on a need to know basis. UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations.
2. All insiders shall adhere to conditions of strict confidentiality and shall not share any UPSI except for the aforesaid purposes.
3. If an Insider receives a query about any UPSI or whether any information is a UPSI related to the Company, such Insider shall not comment on the same and shall forward the query to the CIRO. The CIRO shall deal with such query in accordance with Applicable Law and this Code.

**v) Determination of “Legitimate Purposes”:**

While the Code stipulates “Permitted Disclosures” in Para (E) above, the PIT regulations require that the Board of Directors of the Company shall from time to time identify and incorporate criteria for determination of legitimate purposes for which sharing of UPSI shall be treated as being in the ordinary course of business by an Insider.

The Policy for determining “Legitimate Purpose” is annexed and forms part of this code. With effect from 1<sup>st</sup> April 2019, the following shall be treated as legitimate purposes for sharing of UPSI by Insiders in addition to those listed as “Permitted Disclosures”:

- A. To Lenders / Bankers with respect to continuation of sanctioned limits or fulfillment of covenants etc.
- B. To agents, sub agents, business partners / group companies in the ordinary course of business or as stipulated under statutes
- C. To credit-rating agencies for assessment & evaluation of rating (if applicable)
- D. To trustees for protection of interest of debt-holders/deposit holders [if any]
- E. To suppliers/vendors of goods or services or outsourced activities specifically to critical areas that are core to the functioning of the Company
- F. To market intermediaries in case of identification and validation of proposals for organic growth
- G. To Legal advisors in case of handling of any disputes
- H. To Auditors to enable performance of their duties

**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information-** (Contd.)

- I. To Investors with respect to transactions that may trigger an open offer under Takeover Regulations or otherwise but shall be in the best interests of the Company
- J. To consultants and other advisors with respect to restructuring of any inside departments or core structures or frameworks of the Company
- K. To Insolvency professionals in case of restructuring and recovery of credits of / from borrowers (if applicable)

The Permitted Insiders and Permitted Employees of the Company shall ensure and report to the Compliance Officer the execution of Non-Disclosure and Confidentiality Agreements prior to sharing of UPSI with the third parties mentioned above and also require them to report adherence of Regulation 9 of PIT Regulations, to the extent applicable, to the Compliance officer of the Company, in the manner stated in the “Internal Code of Conduct for Prohibition of Insider Trading” of the Company.

The Board of Directors may from time to time determine and add more clarity to criteria for determining legitimate purposes.

- vi) **Amendments to the Code:** Any amendment to this Code shall be done by the Audit Committee in consultation with the CIRO, subject to obtaining approval from the Board of Directors of the Company.
- vii) **Intimation to Stock Exchange:** This code including every amendment thereto shall be promptly intimated to the Stock Exchanges where the securities of the Company are listed.

**Posting of the Code:** This Code shall be posted on the website of the Company.

#####

Approved by the Directors at their meeting held on 30<sup>th</sup> May 2019.

For **Bimetal Bearings Limited**  
(Sd/-) **A.Krishnamoorthy**  
Managing Director

**Bimetal Bearings Limited:**  
**Policy for Determination of “Legitimate Purpose”**

1. **Effective Date:** The Policy forms part of the “Code of Practices and Procedures for Fair Disclosures of Unpublished Private Sensitive Information”. This Policy shall be strictly adhered to by every Insider of the Company and comes into effect with effect from 1<sup>st</sup> April 2019.

2. **“ Legitimate Purpose”** shall include sharing of UPSI in the ordinary course of business by an Insider with

- i. Promoters of the Company
- ii. Designated Persons
- iii. Auditors
- iv. Legal Advisors, consultants
- v. Collaborators
- vi. Lenders;
- vii. Merchant Bankers
- viii. Suppliers
- ix. Customers
- x. Insolvency Professionals
- xi. such other person as may be decided by the Compliance officer from time to time.

Provided that sharing has not been carried out to evade or circumvent the Regulations.

3. **Process for Sharing the UPSI:** Any person in receipt of UPSI pursuant to a Legitimate Purpose shall be considered Insider for the purpose of this Code and due notice shall be given to such persons which would inter alia include the following:

- a) The information shared is in the nature of UPSI;
- b) To maintain confidentiality of such UPSI and not to disclosure such UPSI except in compliance with Insider Trading Regulations;
- c) Not to trade in securities of the Company while in possession of UPSI;
- d) The recipient shall obtain the Company’s prior written consent in case the information provided to such recipient is to be used by such recipient for a purpose other than the Legitimate Purpose for which the Company had provided the UPSI and such other purpose is also a Legitimate Purpose.

4. **Trading by Insiders:**

When a person who has traded in securities has been in possession of UPSI, his trade (s) would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

5. **Digital Database:**

The Company shall maintain a structured digital database of the persons with whom UPSI is shared, as required under the Insider Trading Regulations. The database shall inter alia contain the names of the persons or entries with whom



**Bimetal Bearings Limited:**  
**Policy for Determination of “Legitimate Purpose”**

Pg.02/02

information is shared under the Insider Trading Regulations along with the Permanent Account Number (PAN) or any other identifier authorised by law where PAN is not available.

**6. Policy Adherence Responsibility:**

The responsibility for adherence to this Policy vests entirely with the person who is sharing UPSI as well as the recipient of the UPSI

**7. Policy Review:**

The Policy shall be reviewed periodically in accordance with the internal controls and check as well as changes or any regulatory requirements from time to time. In the events of inconsistency of this Policy with legal provisions, the provisions of the law shall prevail.

\*\*\*\*\*

Approved by the Directors at their meeting held on 30<sup>th</sup> May 2019.

For **Bimetal Bearings Limited**  
(Sd/-) **A.Krishnamoorthy**  
Managing Director

**Code of Conduct to Regulate, Monitor and Report Trading by Insiders****I. Applicability:**

Regulation 9 (1) of the SEBI (Prevention of Insider Trading) Regulations, 2015 [“PIT Regulations”] requires a listed company to formulate a Code of Conduct to Regulate, Monitor, and Report Trading by employees and other connected persons towards for regulating, approving, prohibiting, monitoring and reporting of trades by Insiders. The Code shall be applicable to all Insiders and Designated Persons and their immediate relatives as defined under the PIT Regulations. All terms and expressions used in the Code of Conduct and specifically defined or explained herein shall bear the meaning as per the PIT Regulations.

**II. Definitions:**

“**Compliance Officer**” means the Company Secretary of the Company who is designated as the Compliance Officer (Insider Trading) and he will remain so until further orders by the Board of the Company.

1. “**Connected Person**” means 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 or is reasonably expected to allow such access.

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 above; or
- b. a holding company / associate company / subsidiary company; or
- c. an intermediary as specified in Sec. 12 of the Securities and Exchange Board of India 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 / 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

## Code of Conduct to Regulate, Monitor and Report Trading by Insiders (Contd.)

- 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. **“Designated Person”** The Managing Director of the Company in consultation with the Compliance Officer specifies the designated persons to be covered by such Code on the basis of their roles and functions in the organisation. Consideration shall be given to the access and function that would provide to unpublished price sensitive information in addition to the seniority and professional designation.
3. **"Generally Available Information"** means information that is accessible to the public on a non-discriminatory basis. Information available on the website of stock exchanges, where the securities of the Company are listed, would generally be considered as Generally Available Information.
4. **“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;
5. **“Specified Persons”** means the Immediate Relatives of Designated Persons and persons with whom Designated Persons share a material financial relationship.
6. **"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: –
- a. financial results;
  - b. dividends;
  - c. change in capital structure;
  - d. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
  - e. changes in key managerial personnel; and

Words and expressions used and not defined in this Code but defined in the Securities and Exchange Board of India Act, 2013, the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

### III. Restriction on communication of UPSI

1. Trading at any time by an Insider on the basis of UPSI or while in possession of UPSI is prohibited.
2. Insiders are prohibited at all times from counseling or procuring any person (including a body corporate) to deal in the Company's Securities on the basis of UPSI.
3. Insiders are prohibited at all times from directly or indirectly communicating UPSI to any person including a body corporate unless in furtherance of legitimate purposes or in performance of duties or for discharge of legal obligations.
4. Policy for determination of "legitimate purposes" forms part of the Code of Fair Disclosure.
5. All information shall be handled within the Company on a need-to-know basis and no UPSI shall be communicated to any person except in furtherance of legitimate purposes or for performance of duties or for discharge of legal obligations.

### IV. Role of Compliance Officer

1. Compliance Officer 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 Company.
2. The Compliance Officer shall assist any Insider approaching him / her in addressing any clarifications regarding adherence to the compliance of the Code of Conduct and its related requirements. These queries may include determination of whether a person or entity is an insider or whether an information is a UPSI or what kind of reporting or disclosures does the Insider need to make and so on.
3. All clarifications or queries shall be raised through emails to the Compliance officer at **vidhyashankar@bimite.co.in** / Registered Post and only written responses shall be provided by the Compliance Officer marked as "**Confidential - PIT Regulations**". Suspicion of leak of UPSI shall also be reported to the above mentioned email ID / (alternatively sent by Registered Post) marked as "**Confidential – Whistle Blower Mechanism**". The latter shall also be marked to Chairman of Audit Committee.
4. Compliance Officer shall set forth procedures and formats as required under the PIT Regulations for obtaining compliances and documents from various types of Insiders as required in this Code.

**Code of Conduct to Regulate, Monitor and Report Trading by Insiders (Contd.)**

5. The Compliance Officer shall maintain and update from time to time the list of Specified Persons and Designated Persons, in electronic form as part of the database in **consultation with Managing Director**. Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:
  - a) immediate relatives
  - b) persons with whom such designated person(s) shares a material financial relationship
  - c) phone, mobile and cell numbers which are used by them
  - d) educational qualifications [one time basis] (if required)
  - e) names of their past employers [on a one time basis]
6. The Compliance Officer shall send a written intimation and Notice to every person or entity who/which shall be designated as an Insider under the Code and being in receipt of UPSI shall be advised to utilize the same for legitimate purposes or for performance or duties or for statutory requirements only and maintain strict confidentiality of such UPSI.
7. Compliance Officer shall monitor trades by the Designated Persons and Specified Persons, seek disclosures, verify and approve or reject trading plans [as per provisions of Regulation 5 of PIT Regulations], and grant or reject pre-clearance for dealing in the Company's securities. Compliance officer shall notify the trading plan to the stock exchanges and ensure that once approved, the trading plans shall be irrevocable.
8. Compliance Officer shall note that preclearance norms, trading window closure norms and restrictions on contra trades shall not be applicable to trades undertaken in accordance with trading plan.
9. Compliance Officer shall obtain reports of Trades from Registrar and Share Transfer Agents and Depositories for tracking trades and requiring the Insiders to undertake compliances under this Code in case they have not done the same.
10. Compliance Officer shall ensure maintenance of all records in accordance with these regulations and ensure that the disclosures made are maintained for a period of five years.
11. The Compliance Officer shall report to the Audit Committee on a quarterly basis and to the Board of Directors of the Company on annual basis the trades executed and reported by Insiders and adequacy of compliance to the PIT Regulations.
12. Any violations of the Code shall be reported by the Compliance Officer to the Managing Director (CEO) or Audit Committee or Board of Directors, upon becoming aware of the same, based on the materiality and nature of the violation.
13. The Compliance Officer shall seek written explanation from the Insider who has been identified for violation of the Code.

**Code of Conduct to Regulate, Monitor and Report Trading by Insiders (Contd.)**

14. The Compliance Officer shall carry out a review of the Chinese Wall procedures once in a year and submit a report on adequacy of the same and adherence to the same to the Audit Committee of the Board.
15. The Compliance Officer shall make it a point to notify each and every person to whom this Code applies of the compliance and adherence requirements under this Code including those who have been appointed as Key Managerial Personnel or Director and also to those who are the Promoters or have been newly classified as Promoters or who form part of Promoters Group.
16. The Compliance Officer shall act as a focal point for dealings with Stock Exchange/SEBI, in connection with all matters relating to the compliance and effective implementation of the Regulations and this Code.

**V. Duties of disclosure by Insiders**

- a. Every disclosure under this Code shall be made in such form as may be specified by the Company.
- b. The disclosures to be made by any person under this Code shall include those relating to Trading by such person's Immediate Relatives, and by any other person for whom such person takes Trading decisions.
- c. The disclosures of Trading in Securities shall also include Trading in derivatives of Securities and the traded value of the derivatives shall be taken into account for purposes of requirement of pre- clearance of trade / Intimation to exchanges/Intimation to Company and the matters connected therewith. Provided that Trading in derivatives of Securities is permitted by any law for the time being in force.

**VI. Reporting:** The Compliance Officer shall report to the Board of Directors ("Board") and in particular, shall provide reports to the Chairman of the Board, on a quarterly basis or at such frequency as may be stipulated by the Board.

**VII. Information on a need-to-know basis & Chinese wall procedures:**

All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insiders legitimate purposes, performance of duties or discharge of his/her Legal obligations.

**VIII. Norms for appropriate Chinese Walls procedures & processes will be as under-**

- a. To prevent the misuse of confidential information, the Company shall separate those areas of the Company which routinely have access to confidential information, considered "inside areas" from those areas which deal with sale / marketing / investment advise or other departments providing support services, considered "public areas".
- b. The employees in the inside area shall not communicate any price sensitive information to any one in public area.
- c. The employees in inside area may be physically segregated from employees in public area.

- d. Demarcation of the various departments as inside area may be implemented by the Company.
- e. In exceptional circumstances employees from the public areas may be brought “over the wall” and given confidential information on the basis of “need to know” criteria, under intimation to the Compliance Officer.

**IX. Trading window**

- a. Designated persons may execute trades subject to compliance with these Regulations. (As allowed under the Regulations but also in compliance of the Code)
- b. Functioning mechanism of Trading Window:**
  - i. The timing for re-opening of the trading window shall be determined by the Compliance Officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available. The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.
  - ii. in absence of any specification by Compliance Officer, the trading window shall deem to be closed at 48 hours after the information becomes generally available.
  - c. The notice to Stock Exchange by Compliance Officer/Authorised Officer of the Company regarding Closing of Trading windows shall be deemed as served to Insiders even if individual notices were served by Compliance Officer or not, to Designated Persons.

**X. Pre-clearance & trades**

- a. When the trading window is open, trading by designated persons shall be subject to pre-clearance by the Compliance Officer, if the value of the proposed trade(s) is above a minimum threshold limit of 0.5% of the paid-up capital for any calendar quarter, or such other limits as the Board may stipulate.
- b. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.
- c. Compliance Officer shall maintain a list as a “restricted list” confidentially as may be specified in the SEBI regulations which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.
- d. Prior to approving any trades, the Compliance Officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

**Code of Conduct to Regulate, Monitor and Report Trading by Insiders (Contd.)**

- e. Order in respect of securities shall be executed within seven (7) trading days after approval is granted by the Compliance Officer, failing which fresh pre-clearance would be needed for the trades to be executed.
- f. A designated person who is permitted to trade shall not execute a contra trade within a period of six (6) months following the prior transaction. Relaxation may be given from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these Regulations.
- g. In the event, any such 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 SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

**XI. Disclosure Responsibilities & formats**

1. Initial Disclosures of holdings: Every promoter, key managerial personnel and director of the Company shall disclose (as per Form A) his holding of securities of the Company as on the date of these Regulations taking effect, to the Company within ninety (90) days of these Regulations taking effect;
2. Every person on appointment as a KMP or a director of the Company or upon becoming a promoter shall disclose (as per Form A) his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven (7) days of such appointment or becoming a promoter.
3. Continual Disclosures of trades Every promoter, employee and director of the Company shall disclose to the Company (in Form B) 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 1000 shares or such other value as may be specified from time to time.
4. The Company shall within a period of two (2) working days from the date of receipt of such disclosures, inform the Stock Exchanges particulars of such trading.
5. Other formats / disclosures, to monitor compliance with these Regulations would be as under –
  - (i) Application-cum-undertaking for pre- clearance (as per Form C)
  - (ii) Reporting of holdings in securities by Designated persons as on 31<sup>st</sup> March, on an annual basis by 10<sup>th</sup> April in the formats submitted by the Company.

- XII. Penalty for contravention of Code of Conduct:** Any Designated Person contravening the Code will be liable to penalty and appropriate disciplinary action including remuneration freeze, suspension and dismissal etc. as may be decided by the Chairman of the Board in consultation with the Compliance Officer.



**XIII. Applicability of the Code to certain persons:**

The Regulations apply to certain persons who by being in any contractual, fiduciary or employment relationship or holding any position including a professional or business relationship with the Company whether temporary or permanent have access, directly or indirectly, to unpublished price sensitive information or are reasonably expected to allow such access. They are advised to adhere to the Regulations strictly. In case it is observed by such persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, that there has been a violation of these Regulations, they shall inform SEBI promptly, with a copy to the Company.

**Note:** This policy is only internal code of conduct and one of the measures to avoid insider trading. It will be the responsibility of each Designated Persons to ensure compliance of SEBI guidelines and other related Laws. This Code is subject to review from time to time.

#####

Approved by the Directors at their meeting held on 30<sup>th</sup> May 2019.

For **Bimetal Bearings Limited**  
(Sd/-) **A.Krishnamoorthy**  
Managing Director

# Bimetal Bearings Limited

## Form A (Initial declaration)

Submitted to the  
Company Secretary  
Bimetal Bearings Ltd.,  
Chennai 600 011

Sir,

I hereby declare that I (along with my family members) hold \_\_\_\_ Nos. of equity shares of Rs.10/- each and I also hereby undertake to intimate any changes in the holding of shares in the Company as and when changes take place.

Thanking You.

Name of the employee: \_\_\_\_\_

Designation \_\_\_\_\_

Date:

# Bimetal Bearings Limited

## Form B (intimation of shares acquired / disposed)

Submitted to the  
Company Secretary  
Bimetal Bearings Ltd.,  
Chennai 600 011

Sir,

I hereby declare that I (along with my family members) purchased / sold \_\_\_\_ Nos. of equity shares of Rs.10/- in the open market (i.e. from the trading terminals of M/s.Bombay Stock Exchange) at a consideration of Rs.\_\_\_\_\_/ - (Rupees \_\_\_\_\_ only) and the related documentation have been completed.

Thanking You.

Name of the employee: \_\_\_\_\_

Designation \_\_\_\_\_

Date:

# Bimetal Bearings Limited

## Form C (application for pre-clearance of trades)

Submitted to the  
Company Secretary  
Bimetal Bearings Ltd.,  
Chennai 600 011

Sir,

I hereby declare that I (along with my family members) intend to purchase / dispose off \_\_\_\_\_ Nos. of equity shares of Rs.10/- in the open market (thro' the trading terminals of M/s.Bombay Stock Exchange) at a consideration to be mutually agreed by both the parties and the related formalities in this regard would be completed in due of course of time.

As I'm intending to deal with the securities during the period of closure of trading window, let me take your "prior-clearance (pre-clearance)" to deal with the Company's securities in the open market to proceed further.

Thanking You.

Name of the employee: \_\_\_\_\_

Designation \_\_\_\_\_

Date: