

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND CODE OF
PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE
SENSITIVE INFORMATION**

OF

BONFIGLIOLI TRANSMISSIONS LIMITED

[Pursuant to Regulation 8, 9 and 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015]

S.No.	Content	Page Number
1.	Preamble	2
2.	Definitions	2
3.	Code of Conduct for prevention of Insider Trading	
3.1.	Applicability	5
3.2.	Role/Duties of Compliance Officer	5
3.3.	Prohibition on communicating or procuring UPSI	5
3.4.	Prohibition of Insider Trading	5
3.5.	Chinese wall and Preservation of UPSI	6
3.6.	Trading Window	7
3.7.	Pre-clearance of Trades	8
3.8.	Trading Plan	9
3.9.	Disclosure of Interest and declaration by Designated persons/Connected persons	10
3.10.	Penalty for contravention of Code of Conduct	11
4.	Code of Practices and Procedures for fair disclosure of unpublished price sensitive information and policy for determination of “Legitimate Purpose”	12
5.	Policy & Procedures for Inquiry in case of leak of Unpublished Price Sensitive Information	14

1.Preamble

Securities and Exchange Board of India (hereinafter referred to as "SEBI" has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the "SEBI PIT Regulations" or "Said Regulations"), amended from time to time.

The objective of the Regulations is to prevent Insider Trading by restricting/trading, communicating and sharing of Unpublished Price Sensitive Information. Insider Trading is an unfair practice resorted to by those in power and privy to certain unpublished price sensitive information relating to a company benefiting at the expense of the general investors who do not have access to such information.

Bonfiglioli Transmissions Limited ("The Company") is listed in BSE Limited and National Stock Exchange of India Limited. The Company is obligated to comply with SEBI PIT Regulations to prohibit communication of unpublished price-sensitive information (UPSI) (as defined below) to any person except in compliance with applicable law. Further, trading (directly or indirectly through other people) in the securities of any company when in possession of UPSI is prohibited under the law. Violations of such regulations invite severe penalties including disgorgement of profits and fines as per law. SEBI PIT Regulations, at the same time, permit prompt, fair, uniform, universal disclosure of UPSI and prescribe principles of fair disclosure and mandate the companies to formulate a code of practices and procedures for fair disclosure of UPSI.

Therefore, the Board of Directors ("the Board") of the Company have adopted this Code of Conduct for Prevention of Insider Trading (the "Code of Conduct/Code") in their meeting held on October 09,2026 to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations").

2. Definitions

For the purpose of this code the following terms shall have the meanings assigned to them hereunder:

2.1. **"Compliance officer"** means the Company Secretary of the Company, who is

financially literate and is capable of appreciating requirements for legal and regulatory

compliance under SEBI (Prohibition of Insider Trading) 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 (UPSI), monitoring of trades and implementation of the code under the overall supervision of the Board of Directors of the Company.

For this purpose, "financially literate" shall mean a

person who has the ability to read and understand basic financial statements i.e. balance

sheet, profit and loss account, and statement of cash flows

2.2. **"Connected person"** means: -

2.2.1. Any person who is or has been in a contractual, fiduciary or employment relationship at any time in the six-month period prior to the date of determining whether that person, as a result of such relationship, was, directly or indirectly, allowed access to UPSI or reasonably expected to be allowed access to UPSI;

2.2.2. Any person who is or has been in frequent communication with an Officer of the Company at any time in the six-month period prior to the date of determining whether that person, as a result of such frequent communication, was, directly or indirectly, allowed access to UPSI or reasonably expected to be allowed access to UPSI;

2.2.3. An employee of the Company who has access to UPSI or is reasonably expected to have access to UPSI; and

2.2.4. Any person who has a professional or business relationship with the Company, whether temporary or permanent, and that relationship directly or indirectly, allows access to UPSI or is reasonably expected to allow access to UPSI;

2.3. Deemed to be connected person means if such person has access to UPSI or is reasonably expected to have access to UPSI, unless the contrary is established:

2.3.1. relative of Connected Persons;

2.3.2. A holding company or associate company or subsidiary company.

2.3.3. An intermediary as specified in section 12 of the SEBI Act or an employee or director thereof;

2.3.4. An investment company, trustee company, asset management company or an employee or director thereof;

2.3.5. An official of a stock exchange or of clearing house or corporation;

2.3.6. 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;

2.3.7. 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;

2.3.8. An official or an employee of a self-regulatory organization recognized or authorized by the SEBI;

2.3.9. A banker of the Company;

2.3.10. A concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his Relative or banker of the Company, has more than 10% percent of the holding or interest.

2.3.11. a firm or its partner or employees in which a connected person specified in clause 2.2 is also a partner or

2.3.12. a person sharing household or residence with connected person specified in sub clause 2.2.

2.4. Designated Person as defined below:

2.4.1. Designated Persons shall be identified by the Whole-time Director & Chief Financial Officer and the Compliance Officer in consultation with the Audit Committee/Board, basis their role and function.

2.4.2. Designated Persons shall mean and include:

- i. Promoters and members of the promoter group of the Company;
- ii. Directors, Key Managerial Personnel and Senior Management Personnel of the Company;
- iii. Directors, CEO, CFO and Functional Heads of the holding company, as well as personnel of the finance and legal departments of the holding company, who have access to or are in possession of the documents and information of the Company;
- iv. Executive Assistants/Personal Assistants/Secretaries of each of the people set out above at point ii;
- v. Employees up to two levels below Managing Director, irrespective of their functional role in the Company ;
- vi. Employees up to two levels below Managing Director, irrespective of their functional role in the material subsidiaries;
- vii. All employees of the Company in Legal and Secretarial, Accounts, taxation, corporate treasury, investor relations, corporate strategy, and corporate communication function;

- viii. Support staff, including employees of IT function, who have access to UPSI, or who can reasonably, be expected to have access to UPSI;
 - ix. Immediate relatives of the persons specified in clauses (i) to (viii), excluding those specified in clause (iii).
 - x. Any other Person designated by the Company on the basis of their functional role and such function would provide access to UPSI;
- 2.4.3. Designated Persons shall disclose the names and PAN and any other information on an annual basis and as & when the information changes of:
- i. Immediate Relatives
 - ii. Persons with whom such Designated Person shares a Material Financial Relationship; and
 - iii. Mobile Numbers which are used by them.

In addition, the names of the educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one-time basis.

The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm’s length transactions.

- 2.5. **“Fiduciaries”** includes Professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., assisting or advising the Company.
- 2.6. **“Immediate relative”** means spouse of a person, and includes parent, sibling and child of such person or of the spouse, who is financially dependent on such person or consults such person in taking decisions relating to trading in securities.
- 2.7. **“Insider”** means any person who is:
- 1. a connected person or
 - 2. in possession of or having access to unpublished price sensitive information.
 - 3. any person who has been defined as Insider under Regulation 2(g) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any modification thereof.

2.8. **“Promoter & Promoter Group”**

Promoter shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;

Promoter Group shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;

2.9. **“relative”** shall mean the following:

- (i) spouse of the person;
- (ii) parent of the person and parent of its spouse;
- (iii) sibling of the person and sibling of its spouse;
- (iv) child of the person and child of its spouse;
- (v) spouse of the person listed at sub-clause (iii); and
- (vi) spouse of the person listed at sub-clause (iv)

- 2.10 **“Trading”** means and includes means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and "trade" shall be construed accordingly
- 2.11. **“Trading window”** refers to the period during which the company’s securities can be traded.
- 2.12. **“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. It shall ordinarily include but not restricted to, information relating to the following:-
- a. financial results;
 - b. dividends;
 - c. change in capital structure;
 - d. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business award or termination of order/contracts not in the normal course of business and such other transactions;
 - e. changes in key managerial personnel other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
 - f. change in rating(s), other than ESG rating(s);
 - g. fund raising proposed to be undertaken;
 - h. agreements, by whatever name called, which may impact the management or control of the company;
 - i. fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
 - j. resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions;
 - k. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016.
 - l. initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
 - m. action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
 - n. outcome of any litigation(s) or dispute(s) which may have an impact on the company;
 - o. giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business
 - p. granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
 - q. For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be specified by the Board from

time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable.

3. Code of Conduct for prevention of Insider Trading

3.1. Applicability

This Code shall be applicable to and binding on all Designated persons and their immediate relatives for dealing in Securities of the Company with immediate effect.

3.2. Role/Duties of Compliance Officer:

The Compliance Officer shall be responsible for:

- i. Setting forth policies in relation to the implementation of the Code of Conduct and the Regulations in consultation with the Board/Audit Committee;
- ii. Prescribing procedures for various activities referred to in the Code of Conduct and the Regulations;
- iii. Compliance with the policies and procedures referred hereinabove;
- iv. Monitoring adherence to the regulations for the preservation of UPSI;
- v. Grant of pre-clearance approvals to the Designated Persons for trading in the Company's Securities by them / their Immediate Relatives and monitoring of such trading;
- vi. Implementation of Code of Conduct under the general supervision of the Audit Committee and the overall supervision of the Board of the Company;
- vii. The Compliance Officer shall assist all the Designated Persons in addressing any clarifications regarding the Regulations and this Code of Conduct;
- viii. Educate individuals and make them aware of the duties and responsibilities attached to the receipt of UPSI, and the liability in case of misuse or unwarranted use of such information or communication;
- ix. The Compliance Officer shall close the trading window for such periods as he/she may deem fit in compliance with the provisions of this code;
- x. Report all details of trading in securities by the Designated Persons including any violations of the Code of Conduct to the Audit Committee and the Board on quarterly basis.
- xi. Ensuring appropriate, fair and timely responses to queries raised by regulatory authorities in relation to news reports and requests for verification of market rumour.

3.3. Prohibition on communicating or procuring UPSI

An Insider shall not –

- i. communicate, provide, or allow access to any UPSI, relating to the Company or its Securities, to any person including other Insiders; or
- ii. procure from or cause the communication by an Insider of UPSI, relating to the Company or its Securities.

except

- i. in furtherance of legitimate purposes as determined under the Company's Code of Fair Disclosure and Conduct formulated under Regulation 8 of PIT Regulations in performance of duties duly complying with the confidentiality and non-disclosure agreements executed or in discharge of legal obligations pursuant to appropriate binding request from the judicial or quasi-judicial authorities; or

- ii. in the event the Board of Directors directs or causes the public disclosure of UPSI in the best interest of the Company due notice shall be given to persons receiving the UPSI for Legitimate Purposes to maintain confidentiality of such UPSI in compliance with this Code.

3.4. Prohibition on Insider Trading

An Insider shall not, directly, or indirectly, –

- a. carry out Trading in Securities when in possession of the UPSI;
- b. carry out Trading in Securities except when the Trading Window is open;
- c. take positions in derivative transactions in the Securities at any time.
- d. provide advice/ tips to any third party on Trading in the Securities while in possession of the UPSI; and
- e. while in possession of unpublished price sensitive information of any other company gained in the course of employment with the Company, (a) trade in the securities of the other company, (b) “tip” or disclose such material non-public information concerning that company to anyone, or (c) give trading advice of any kind to anyone concerning the other company.

The restrictions above may not apply to:

- (a) a transaction that is an off-market inter-se transfer or carried out through block deal window mechanism, or carried out pursuant to statutory or regulatory obligation to carry out a bonafide transaction, between Insiders who were in possession of the same UPSI without being in breach of this Code and both parties had made a conscious and informed trade decision;
- (b) transactions carried out by different individuals taking trading decisions and such decision making individuals were not in possession of such UPSI when they took the decision to trade, provided the Insider is not in breach of this Code or the PIT Regulations; and
- (c) Trades pursuant to a Trading Plan set up in accordance with this Code and PIT Regulations. When a person has traded in any securities while in possession of UPSI, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession and the onus of establishing that the person is not in possession of UPSI shall be on such person.
- (d) The transaction in question was undertaken pursuant to exercise of stock option in respect of which the exercise price was pre- determined in compliance with applicable regulations.
 - a. the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
 - b. appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached
 - c. the trades were pursuant to a trading plan set up in accordance with regulation

When a person has traded in any securities while in possession of UPSI, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession and the onus of establishing that the person is not in possession of UPSI shall be on such person.

In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the Board.

3.5. Chinese Wall and Preservation of Unpublished Price Sensitive Information

Any person who is in the possession of UPSI shall comply with the requirements of the Regulations including the following:

3.5.1. Chinese Wall

- a. While dealing with or handling UPSI, the Designated Person shall take reasonable steps to prevent inadvertent leakage, spread or misuse of UPSI and shall maintain appropriate Chinese wall.
- b. A Designated Person in possession of UPSI has the responsibility to ensure that the Chinese wall is not breached deliberately or inadvertently.
- c. Any known or suspected breach of the Chinese wall must be reported to the Compliance Officer immediately

3.5.2. Preservation of Unpublished Price Sensitive Information

- i. All Designated persons / Insider should maintain confidentiality of the Unpublished Price Sensitive Information.
- ii. All information shall be handled within the company on a need-to-know basis.
- iii. Unpublished price sensitive information shall not be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations
- iv. To prevent the misuse of Unpublished Price Sensitive Information, the Company shall adopt a "Chinese Wall" policy which separates those areas of the company which routinely have access to Unpublished Price Sensitive Information considered "Inside Areas" from those areas which are not dealing with the Unpublished Price Sensitive Information considered as "Public areas"
- v. The employees in the Inside Area shall not communicate any Unpublished Price Sensitive Information to anyone in the public areas.
- vi. In exceptional circumstances, an employee or Designated Person from the Public Area may be provided access to Unpublished Price Sensitive Information ("UPSI") on a strict **need-to-know basis**, where such access is necessary for a legitimate purpose, performance of duties or discharge of legal obligations. Such person shall be treated as an Insider from the time of being provided access to the UPSI and shall be subject to all applicable obligations under the Code and the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Any such access shall be permitted only with the prior approval of the Compliance Officer or such other person as may be authorized by the Compliance Officer. The Compliance Officer shall ensure that:

- a. the purpose and necessity for sharing the UPSI are documented;
- b. access is restricted only to the specific UPSI required for the stated purpose;
- c. the person receiving the UPSI is informed of the nature of the information and the confidentiality obligations applicable to such information;
- d. appropriate records of such access, including the name of the person, date, purpose and nature of UPSI shared, are maintained; and

e. the person is appropriately included in the relevant records/database of persons with whom UPSI has been shared, wherever applicable.

The Compliance Officer may withdraw such access when the purpose for which the UPSI was shared has been completed or when such access is no longer required.

- vii. Any other persons having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company who are expected to have UPSI shall formulate a code of conduct to regulate, monitor and report the trading by its employees and other connected persons towards achieving the compliance of the regulations.
- viii. Misuse of such information shall be strictly avoided.
- ix. Files containing Unpublished Price Sensitive Information shall be kept secure and computer files shall be protected with login ID and passwords.

3.6. Trading Window

- a) The Trading Window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of Unpublished Price Sensitive Information. The Trading Window shall also be closed from the end of every quarter until **48 hours after the declaration of financial results**. The gap between the clearance of accounts by the Audit Committee and consideration/approval of the financial results by the Board shall be kept as narrow as possible and, preferably, the meetings shall be held on the same day, so as to minimise the possibility of leakage of material information.
- b) The trading period, i.e. the trading period of the stock exchanges is called ‘trading window’, is available for trading in the Company’s securities.
 - i. The period during which trading in the Company’s securities is permitted by the stock exchanges shall be referred to as the **“Trading Window”**. The Trading Window shall be subject to closure in accordance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and this Code.
 - i. For UPSI emanating from the Company, the Compliance Officer shall close the Trading Window when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to be in possession of such UPSI.
 - ii. When the Trading Window is closed, Designated Persons and other Insiders shall not trade in the securities of the Company during such period. Notwithstanding the closure or otherwise of the Trading Window, no Insider shall trade in the securities of the Company while in possession of UPSI, except as may be permitted under the SEBI (Prohibition of Insider Trading) Regulations, 2015.
 - iii. All Designated Persons shall conduct their dealings in the securities of the Company only during a valid Trading Window and in accordance with the

provisions of this Code and the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

- iv. The Trading Window shall be re-opened by the Compliance Officer not earlier than **48 hours after the UPSI has become generally available**.
- v. In respect of UPSI which does not emanate from the Company, the Trading Window may not necessarily be required to be closed. However, any person in possession of UPSI shall be prohibited from trading in the securities of the Company while in possession of such UPSI, except as otherwise permitted under the SEBI (Prohibition of Insider Trading) Regulations, 2015.
- vi. When the trading window is closed, the Insiders shall not trade in the Company's securities in such period.
- vii. All Designated Persons 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 periods when the trading window is closed, as referred to in Point No. (ii) above or during any other period as may be specified by the Company from time to time.
- viii. The trading window may be re-opened after closure, not earlier than 48 hours after the UPSI in question becomes generally available.
- b. The Compliance Officer shall also close the Trading Window when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
- c. The Compliance Officer shall intimate the closure of trading window to all the designated persons of the Company when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
- d. The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.

3.7. Pre-clearance of trading:

- i. Designated Persons may Trade in the securities of the Company when the trading window is open, after obtaining pre- clearance approval of trades by submitting an application as per Annexure 2 and an undertaking as per Annexure 3;
- ii. Designated Persons shall not trade in Securities of the Company and shall not apply for preclearance if such Designated Person is in possession of UPSI even if the trading window is open;
- iii. The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve trading by a Designated Person, on condition that the trade so approved shall be executed within seven trading days following the date of approval. "Trading day" here means those days when Stock Exchanges are open;

- iv. The Compliance Officer shall 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;
- v. Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan;
- vi. In case of trade by the Compliance Officer, the Compliance Officer shall obtain preclearance of trade from Whole-time Director & CFO of the Company;
- vii. 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;
- viii. A Designated Person who trades in securities without complying with the preclearance procedure as described in these Code of Conduct or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the pre-clearance procedure shall be subjected to the penal actions as mentioned in this Code of Conduct;
- ix. Nothing in this rule shall apply, if the cumulative trading whether in one transaction or a series of transactions in any financial year does not exceed Rs. 10 lakh (Ten lakhs in market value) or such other amount as may be specified by the Board of Directors from time to time provided the Designated Person is not in possession of UPSI while executing the trade.

The Designated Person shall, however, **intimate the details of such trades to the Compliance Officer after execution of the transaction**, in the manner and within the time period specified in **Annexure 4** to this Code.

Additional trading restrictions on Designated Persons:

- i. No Director, Key Managerial Personnel or Designated Persons shall enter into derivative transactions in respect of the securities of the Company;
- ii. No Designated Person shall do intra-day trading in the securities of the Company;
- iii. All Designated Persons who trade in the securities of the company shall not enter into an opposite transaction/contra trade (buy and sell any number of securities and vice versa) during the next six months following the prior transaction, except as exempted under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
 In case of any 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 for credit to the Investor Protection and Education Fund administered by SEBI. However the compliance officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing;
 This restriction shall not apply to exercise of an employee stock option, or to a sale of shares acquired by that exercise. A market purchase followed by a sale remains a contra trade. The six months run across the designated person and the immediate relatives, and across capacities under the same PAN.
- iv. No Designated Person shall trade in securities of the Company, whether through portfolio managers/agents/securities brokers or otherwise, except in accordance with the Code of Conduct and after obtaining prior approval from the Compliance Officer of the Company, wherever required. It shall be the responsibility of the Designated Persons to instruct in writing to their respective portfolio managers/agents/securities brokers or others to obtain prior approval from the Designated Person before executing any trades for and on behalf of the

Designated Person or their immediate relatives. In case of any trading in securities by such portfolio managers/agents/ securities brokers or others, the sole responsibility for such trading in securities of the Company rests solely on the concerned Designated Person including consequences for violation, if any, of the Code of Conduct and the Designated Person's trades would be presumed to have been carried out with his/her knowledge and permission for such trading. The Designated Persons are required to inform their portfolio managers about trading window closure periods with a clear instruction of not execute any trade on behalf of the Designated Persons during the any trading window closure.

3.8. Trading Plan:

- i. An Insider shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations ("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;
- ii. The Compliance Officer shall review and seek additional clarifications or undertakings, if required to approve the Trading Plan, if it complies with the SEBI Regulations and shall disclose the Trading Plan to the stock exchanges as per the timelines prescribed in PIT Regulations from time to time.

Trading Plan:

1. Not entail starting of trading on behalf of the insider earlier than 120 days (one hundred and twenty calendar days)from the public disclosure;
2. Not entail overlap of any period for which another trading plan is already in place;
3. Set out the following parameters for each trade to be executed
 - a. either the value of trade to be effected or the number of securities to be traded
 - b. nature of the trade
 - c. either specific date or time period not exceeding five consecutive trading days;
 - d. price limit, that is an upper price limit for a buy trade and a lower price limit for a sell trade, subject to the range as specified below:
 - i. for a buy trade: the upper price limit shall be between the closing price on the day before submission of the trading plan and up to twenty per cent higher than such closing price;
 - ii. for a sell trade: the lower price limit shall be between the closing price on the day before submission of the trading plan and up to twenty per cent lower than such closing price.

Note : While the parameters in sub-clauses (a), (b) and (c) shall be mandatorily mentioned for each trade, the parameter in sub-clause (d) shall be optional.

 - e. The price limit in sub-clause (d) shall be rounded off to the nearest numeral.
 - f. Insider may make adjustments, with the approval of the compliance officer, in the number of securities and price limit in the event of corporate actions related to bonus issue and stock split occurring after the approval of trading plan and the same shall be notified on the stock exchanges on which securities are listed.
4. Not entail trading in securities for market abuse;
5. 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 out the scope of the plan;

6. Implementation of the trading plan shall not be commenced if any UPSI in possession of insider at the time of formulating the plan has not become generally available at the time of implementation of the plan. In such case the commencement ought to be deferred until such UPSI becomes generally available;
7. Trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan;
8. Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

3.9. Disclosure of Interest and declarations by Designated Persons/Connected persons

Disclosure to the Company:

1. Every public disclosure under this shall be made in such form as tabled below.
2. 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 this Chapter
3. The disclosures made under this Chapter shall be maintained by the company, for a minimum period of five years, in such form as may be specified.

Initial Disclosure:

By whom	What to be disclosed	When to be disclosed	Forms (Annexure)
Promoter/ member of promoter group/ Director/ KMP	Holding of securities of the Company as on date of appointment or becoming Promoter	Within seven days of such appointment or of becoming Promoter	Annexure 1

Continual Disclosure:

By whom	What to be disclosed	When to be disclosed	Forms (Annexure)
Promoter/ member of promoter group/ Director/ Designated Persons	Number of such securities acquired or disposed	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 Rs. 10 lakh or such other value as may be specified	Annexure 4
Company	Details of above disclosure to stock exchanges	Within two trading days of receipt of disclosure or becoming aware of such disclosure	Automatic Disclosure by depositories.

An off-market trade, and a creation, invocation or revocation of pledge, that the depositories do not capture, shall be disclosed to the Compliance Officer in Annexure 4 within two trading days. The Compliance Officer shall intimate the stock exchanges within two trading days of receipt, or of becoming aware of it.

Disclosures by other connected persons:

The Compliance Officer may, at his or her discretion, require any Connected Person or class of Connected Persons to make disclosures of their holdings and trading in the securities of the Company for the purpose of monitoring compliance with the provisions of SEBI PIT Regulations.

3.10. Penalties

Any Director, Officer or Designated Employee who trades in shares or communicates any information for trading in shares, in contravention of this Code, may be penalized and appropriate action may be taken against him by the Company.

Directors, Officers and Designated Employees of the Company who violate this Code shall also be subject to disciplinary action by the Company, which may include wage/ salary freeze, suspension, withholding of promotions, or any other suitable mode to deter others from non-compliance of the Code.

The action by the Company shall not preclude SEBI from taking any action in case of violation of the SEBI (Prohibition of Insider Trading), Regulations, 2015.

In case a violation of the regulations is observed, the Company and / or Compliance Officer shall immediately report the same to stock exchange.

4. Code of Practices and Procedures for fair disclosure of unpublished price sensitive information and policy for determination of “Legitimate Purpose”

This Code intends to formulate the policy for fair disclosure of Unpublished Price Sensitive Information and the Board of Directors shall adhere to it in letter and spirit.

Principles of fair disclosure and conduct

1. Prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. Unless resolved by the Board, the Company Secretary shall act as the Chief Investor Relations Officer to deal with dissemination of information and disclosure of UPSI.
3. Uniform and universal dissemination of UPSI to avoid selective disclosure.

If unpublished price sensitive information is disclosed selectively, inadvertently or otherwise, the Compliance Officer shall promptly make that information generally available by intimating it to the stock exchanges.

4. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
5. Ensuring that information shared with analysts and research personnel is not UPSI.

6. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
7. Handling of all UPSI on a need-to-know basis.

Policy for determination of “Legitimate Purpose”

1. In terms of the SEBI PIT Regulations, the term “legitimate purpose” is clarified to include sharing of UPSI in the ordinary course of business by an insider with Company’s partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing of UPSI has not been carried out to evade or circumvent the prohibitions of the SEBI PIT Regulations.
2. The SEBI Regulations require the Board to formulate a policy for determination of ‘legitimate purpose’, in line with the guidance provided in the SEBI Regulations. The assessment of whether sharing of UPSI for a particular instance would tantamount to ‘legitimate purpose’ would entirely depend on the specific facts and circumstances of each case. Accordingly, this Policy only sets out the principles that should be considered while assessing if the purpose for which UPSI is proposed to be shared is “legitimate”.
3. Primarily, the following factors should be considered:
 - a. whether sharing of such information is in the ordinary course of business of the Company.
 - b. whether information is sought to be shared to evade or circumvent the prohibitions of the Regulations.
 - c. whether sharing the information is in the best interests of the Company or in furtherance of a genuine commercial purpose.
 - d. whether the information is required to be shared for enabling the Company to discharge its legal obligations.
 - e. whether the nature of information being shared is commensurate to the purpose for which access is sought to be provided to the recipient.
4. It is clarified that in the event there exist multiple purposes for sharing UPSI, each purpose will be evaluated on its own merits, in line with the aforementioned principles.
5. Before, or at the time of, sharing unpublished price sensitive information for a legitimate purpose, the recipient of UPSI shall be informed of the following, by way of written intimation and/ or contractual agreement, such as, confidentiality agreement or non-disclosure agreement, that:
 - a. The information being shared is UPSI and that the Company is the exclusive owner of such UPSI.
 - b. Upon receipt of UPSI, the recipient would be deemed to be an Insider and subject to the provisions of the SEBI PIT Regulations.
 - c. The recipient must maintain confidentiality of the UPSI at all times.
 - d. The recipient may use the UPSI only for the approved purposes for which it was disclosed.
 - e. the recipient should provide a written undertaking that he/she/it shall not undertake trades in the securities of the Company while in possession of the UPSI.
 - f. the recipient must extend all cooperation to the Company, as may be required in this regard.
 - g. The recipient must also adopt a code of conduct in terms of Regulation 9 of the SEBI

Regulations, to inter alia ensure that it safeguards the UPSI in line with the SEBI Regulations.

6. The information should be shared by the Company, from time to time, in the ordinary course of its business activities with its advisers and service providers, viz., auditors, merchant bankers and legal advisers/consultants of the Company, in line with the aforementioned principles.
7. Additionally, Compliance Officer, shall be responsible for maintaining structured digital database, in compliance with the SEBI PIT Regulations, comprising necessary details of all recipients of UPSI, who receive UPSI in compliance with the SEBI PIT Regulations, including, name, address, email, Permanent Account Number (PAN), or any other identifier authorised by law (where PAN is not available) and such other documents as may be necessary, in the manner that may be prescribed by the Board of Directors or SEBI.
8. The compliance officer, who is required to handle unpublished price sensitive information shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

5. Policy & Procedures for Inquiry in case of leak /Suspected leak of Unpublished Price Sensitive Information

SEBI PIT Regulations, in terms of Regulation 9A(5), requires the Board to formulate policies and procedures for inquiry in case of leak/suspected leak of UPSI and accordingly, initiate appropriate inquiries on becoming aware of leak/suspected leak of UPSI.

Any inquiry into any actual or suspected leak of UPSI needs to be tailored to the facts and circumstances of each such instance. Given that it is not possible to provide a standard operating procedure applicable while inquiring into each such instance of leak/ suspected leak of UPSI, this policy sets out the broad principles that the Board of Directors will follow while inquiring into cases of actual or suspected leak of UPSI.

Objective:

- a. To strengthen the internal control system to prevent leak of UPSI.
- b. To restrict and prohibit the practice of sharing of UPSI, with the un-authorized person, which originates from within the Company and which affects the market price of the Company as well as results into loss of reputation and investors' / financiers' confidence in the Company;
- c. To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employees & Designated Persons with any other person, firm, Company or Body Corporate.
- d. To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the SEBI promptly.
- e. To take disciplinary actions, if deemed fit against any Insider, Employee & Designated Persons who appears to have found guilty of violating this policy, apart from any action that SEBI may initiate/take against the Insider, Employees & Designated Persons.

Procedure of inquiry in case of leak of UPSI or suspected leak of UPSI

- a. Any instance of leak of UPSI should be on the basis of a direct and first-hand experience of the Whistle Blower. It should not be based on any secondary, unreliable source such as grapevine or any other form of informal communication.
- b. Inquiry under this policy shall commence based on a written complaint received from any insider, employee of the company, department of the company, Registrar and Share Transfer Agent (RTA), Depository, Stock Exchange, Regional Director or any official thereof,

Registrar of Companies or any official thereof, regulatory / statutory authority or any other department of Central or State Government

- c. The Whistle Blower may complaint or report the leak of UPSI by addressing the hard copies or by an email to the Whole-Time Director and Chief Financial Officer of the company, mentioning the Subject as “LEAK OF UPSI”.

Provided that where the complaint or report relates to the WTD and CFO, the complaint shall be submitted to the Managing Director (“MD”) or the Chairman of the Audit Committee. In such cases, the MD or the Chairman of the Audit Committee, as applicable, shall oversee the inquiry and the provisions of this Policy relating to the WTD and CFO shall, mutatis mutandis, apply to the MD or the Chairman of the Audit Committee.

- d. The Whistle Blower shall inter alia state particulars of the compliance and details of the complaint or report. The Whistle Blower has the option of annexing such documentary evidence, as deemed reasonable for the purpose of substantiating the complaint/ report lodged.
- e. Within 5 (five) working days of receipt of the complaint or report, Whole-time Director and CFO of the Company, in consultation with Compliance Officer, if require, shall write to the complainee intimating the details of the complaint/report received and requesting him to give a written representation within 7 (seven) working days of receipt of letter.
- f. The instance of leak of UPSI made by the Whistle Blower must be genuine with adequate supporting data/proof. No Designated Person, employee or any other person who reports in good faith a suspected or actual leak of UPSI or violation of this Code shall be subject to any adverse employment action including but not limited to discharge, demotion, suspension, harassment, or any other form of discrimination or retaliation on account of such reporting. If it is established that the allegation was made with mala-fide intentions or was frivolous in nature or was not genuine, the Whistle Blower shall be subject to Disciplinary Action.
- g. Within 7 (seven) working days of receipt of representation, the Whole-time Director and CFO of the Company shall proceed to investigate in the matter and for such purpose may consult such persons, whether internal or otherwise or obtain such external assistance or opinion, as he may deem expedient in this regard. During the course of such investigation, the Whole-time Director and CFO may call for such additional documents, representations, etc. as he may deem fit.
- h. If no representation is received within the aforesaid stipulated time, Whole-time Director and CFO of the Company shall issue notice to the complainee asking him to show cause as to why the Company should not initiate disciplinary proceedings, as applicable, against him.
- i. On completion of the above-mentioned preliminary investigation, receipt of reply to the show cause notice or on non-receipt thereof, the Whole-time Director and CFO of the Company shall refer the matter to the Chairman of the Audit Committee, along with his opinion, for his consideration.
- j. The Chairman of the Audit Committee on receipt of such opinion shall proceed to convene a meeting of the Audit Committee and shall convene the concerned meeting of the Audit Committee within a period of 30 days of receipt of opinion of the Whole-time Director and CFO of the Company.

The Audit Committee shall consider the matter and place its recommendations before the Board. The Board, upon receipt of such recommendation and after due review of the findings of the inquiry, shall take such appropriate disciplinary and corrective action as may be

warranted, where it forms an opinion that the concerned person is responsible for, or is involved in, the leak or suspected leak of UPSI.

The Company shall promptly inform the SEBI of such leak or suspected leak of UPSI, as well as the outcome of the inquiry and the actions taken thereon, in accordance with the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The aforesaid disciplinary and corrective actions shall be in addition to, and without prejudice to, any penal or other consequences under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and any other applicable law.

- k. The Company suo moto reserves the right of initiating an inquiry under this policy against any insiders or designated persons, if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.
- l. In case, any inquiry has been initiated by the Company for leak of UPSI or suspected leak of UPSI, the relevant intermediaries and fiduciaries shall co-operate with the company in connection with such inquiry.

6. Amendments in Law

Any subsequent amendment/modification in the SEBI PIT Regulations, Companies Act, 2013 and/or the SEBI Listing Regulations and/or other applicable laws in this regard shall automatically apply to this Policy.

Annexure 1

SEBI (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel/Director/Promoter/Member of the promoter group]

Name of the Company: Bonfiglioli Transmissions Limited

ISIN Number: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN & Address with contact no's	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to/others, etc.)	Date of appointment of KMP/Director / OR Date of becoming Promoter/ member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group.		Open Interest of the Future contracts and /or option contract held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group		
			Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	Number	Contract specifications	Number of units (contracts lot size)	Notional value in Rupee terms

Annexure 2
APPLICATION FOR PRE-TRADING APPROVAL

To,
The Compliance Officer
Bonfiglioli Transmissions Limited

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

01.	Name of the applicant Name of the immediate relative (if applicable)	
02.	Employee no.	
03.	Designation	
04.	No. of Securities held as on date	
05.	DP/Client ID	
06.	Proposal for	Purchase of securities Sale of Securities
07.	Proposed date of trading in securities	
08.	Estimated number of securities proposed to be purchased/subscribed/sold	
09.	Current market price (as on date of application)	
10.	Whether the proposed transaction will be through stock exchange or off-market trade	
11.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

Signature:

Name:

Designation:

Place:

Date:

Annexure 3**UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE**

To,
The Compliance Officer
Bonfiglioli Transmissions Limited

I, _____ (designation) _____ of the Company residing at _____ am desirous of trading in _____ (numbers) 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 Code of Conduct as notified by the Company from time to time.

In the event of this transaction being in violation of the Code of Conduct 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 trading 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:

Designation:

Place:

Date:

Annexure 4**DISCLOSURE OF TRANSACTIONS WITH REFERENCE TO PRE-CLEARANCE
APPROVAL OBTAINED****(To be submitted within 2 days of transaction / trading in securities of the Company)**

To,
The Compliance Officer
BONFIGLIOLI Transmissions 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 whichever is not applicable)

Name of the holder	No. of Securities traded	Bought/sold/ subscribed	DP ID/ Client ID	Price (Rs.)

I declare that the above information is correct and that no provisions of the Company's Code of Conduct and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature:**Name:****Designation:****Place:****Date:**