

Arunis Abode Limited

(formerly known as M.B. Parikh Finstocks Limited.)

CIN : L70100GJ1994PLC021759



ARUNIS GROUP OF COMPANIES

BUILDERS & DEVELOPERS

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ARUNIS ABODE LIMITED

CODE OF CONDUCT

FOR

BOARD OF DIRECTORS

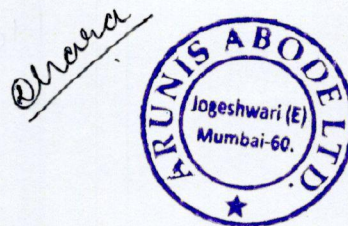
(INCLUDING INDEPENDENT DIRECTORS)

AND

SENIOR MANAGEMENT

(Under Section 149 (8) of the Companies Act, 2013 read with Schedule IV of the Act)

The Code is a guide to professional conduct for Board of Directors (including Independent Directors) and senior management. Adherence to these standards by the Board of Directors (including Independent Directors) and senior management and fulfillment of their responsibilities in professional and faithful manner will promote confidence of the investment community, particularly the minority shareholders, regulators and companies in the institution of the Board of Directors.



I. Guidelines for Professional Conduct:

The Board of Directors and Senior Management shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising their duties;
- (3) exercise their responsibilities in a *bona fide* manner in the interest of the company;
- (4) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate their exercise of objective independent judgement in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) in case Independent Directors, refrain from any action that would lead to loss of their independence;
- (8) where circumstances arise which make a director lose his independence, the concerned director must immediately inform the Board accordingly; and
- (9) assist the company in implementing the best Corporate Governance practices.

II. Role and Functions:

The Board of Directors and Senior Management shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- (2) bring an objective view in the evaluation of the performance of Board / Independent Director and management;
- (3) scrutinize the performance of Board / Independent Director and management in meeting upon the agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of Executive Directors, Independent Directors, Key Managerial Personnel and senior management and have a prime role in appointing and where necessary recommend removal of Executive Directors, Key Managerial Personnel and senior management; and
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between the Board / management and shareholder's interest.



- (2) The appointment of Independent Director(s) of the company shall be approved at the meeting of the shareholders;
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of Independent Director shall include a statement that in the opinion of the Board, the Independent Director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management;
- (4) The appointment of Independent Directors shall be formalized through a letter of appointment, which shall set out:
 - (a) the terms of appointment;
 - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - (d) provision for Directors and Officers (D and O) insurance, if any;
 - (e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - (f) the list of actions that a director should not do while functioning as such in the company; and
 - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of Independent Directors shall be open for inspection at the Registered Office of the company by any member during normal business hours; and
- (6) The terms and conditions of appointment of Independent Directors shall also be posted on the company's website.

V. Re-appointment of Independent Directors:

Re-appointment of Independent Directors shall be on the basis of report of performance evaluation.

VI. Resignation or removal of Independent Directors:

- (1) Resignation or removal of an Independent Director shall be in the same manner as is provided in Sections 168 and 169 of the Companies Act, 2013.
- (2) An Independent Director who resigns or is removed from the Board of the company shall be replaced by a new Independent Director at the earliest but not later than the immediate next meeting of the Board of Directors or three months from the date of such vacancy, whichever is later.
- (3) Where the company fulfills the requirement of Independent Directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new Independent Director shall not apply.

