

Arunis Abode Limited

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

CIN : L70100GJ1994PLC021759



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CODE OF CONDUCT

FOR

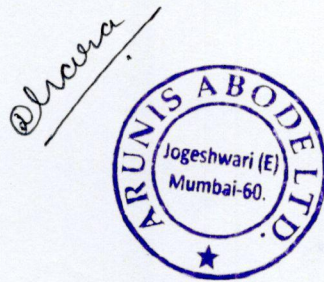
REGULATING, MONITORING AND

REPORTING OF TRADING BY INSIDERS

[Under Regulation 9(1) of the Securities and Exchange Board of India
(Prohibition of Insider Trading) Regulations, 2015]

ARUNIS ABODE LIMITED

(Effective from 1st April, 2021)



**CODE OF CONDUCT FOR REGULATING, MONITORING
AND REPORTING OF TRADING BY INSIDERS**

**[Under Regulation 9 (1) of the Securities and Exchange Board of India
(Prohibition of Insider Trading) Regulations, 2015]**

Preamble

The Securities and Exchange Board of India (SEBI), in its endeavor to protect the interests of the investors in general, has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations') under the powers conferred on it under the SEBI Act, 1992. These regulations were notified on 15th January, 2015 and came into force with effect from 15th May, 2015 and are, inter alia, applicable to all Listed Companies on the Indian Stock Exchanges. These PIT Regulations have been amended from time to time.

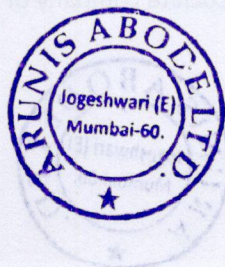
As per Regulation 8 of the PIT Regulations, every listed company / entity is required to formulate and publish on its website a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and submit the same to the Stock Exchanges, where securities of the Company are listed.

This document embodies the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to be adopted by the Company and followed by its Directors, Officers, Designated Persons and Connected Persons. The Code seeks to ensure timely, fair and adequate disclosure of price sensitive information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

1. Definitions

1.1 "Act" means the Securities and Exchange Board of India Act, 1992.

1.2 "Board" means the Board of Directors of the Company.



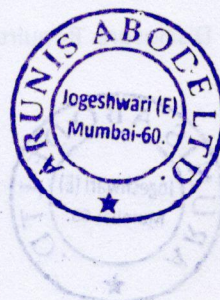
- (c) an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
- (d) an investment company, trustee company, asset management company or an employee or director thereof; or
- (e) an official of a stock exchange or of clearing house or corporation; or
- (f) a member 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
- (h) an official or an employee of a self-regulatory organization recognized 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 the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

1.7 "Designated Person(s)" shall include:

- (i) Promoters of the Company;
- (ii) Director(s), Managing Director(s), Chief Executive Officer(s), Key Managerial Personnel and employees upto two levels below Chief Executive Officer/Managing Director of the Company;
- (iii) Every employee in the finance, accounts, secretarial, IT and legal department;
- (iv) Any other employee of the Company as may be determined by the Board of Directors in consultation with the Compliance Officer from time to time; and
- (v) Employees of material subsidiaries of the Company designated on the basis of their functional role or access to unpublished price sensitive information in the company.

1.8 "Director" means a member of the Board of Directors of the Company.

1.9 "Employee" means every employee of the Company including the Directors in the employment of the Company.



1.16 "Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;

1.17 "Takeover regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

1.18 "Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

1.19 "Trading Day" means a day on which the recognized stock exchanges are open for trading;

1.20 "Unpublished Price Sensitive Information" ('UPS') means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
- v. changes in Key Managerial Personnel

1.21 "Regulations" shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.

1.22 "Specified Persons" means the Directors, connected persons, the insiders, the designated persons and the promoters and immediate relatives are collectively referred to as Specified Persons.

Words and expressions used and not defined in this Code but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013)



prior to the sharing of such information being effected in such form as the Board of Directors may determine to be adequate and fair to cover all relevant and material facts.

However, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the limited purposes as allowed under the Regulations and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

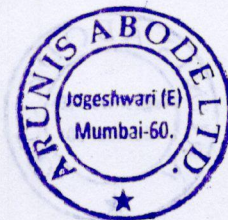
3.2 Need to Know:

- (i) "need to know" basis means that Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information and due notice to be given to maintain confidentiality of such UPSI.
- (ii) All non-public information directly received by any employee should immediately be reported to the head of the department and such head of the department shall report the same to the Compliance officer of the Company.

3.3 Limited access to confidential information: Files containing confidential information shall be kept secured. Computer files must have adequate security by login and password, etc.

3.4 A structured digital database shall be maintained by the Company ensuring that it contains the names of such persons or entities, as the case may be, with whom information is shared under this regulation along with the Permanent Account Number (PAN) or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

3.5 To prevent the misuse of UPSI, the Company adopts the "Chinese Walls" policy which separates those areas of the Company which routinely have access of UPSI, considered "inside areas" from



- (i) not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- (ii) not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
- (iii) entail trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (v) set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- (vi) not entail trading in securities for market abuse.

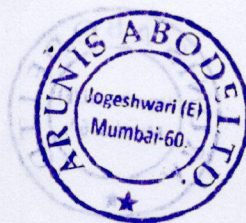
4.3 The Compliance Officer shall consider the Trading Plan made as above and shall approve it forthwith. However, he shall be entitled to take express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan as per provisions of the Regulations.

However, the pre-clearance of trades shall not be required for a trade executed as per an approved trading plan; and trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

4.4 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 outside the scope of the trading plan.

However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any unpublished price sensitive information and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information.

4.5 Upon approval of the trading plan, the Compliance Officer shall notify the plan to the Stock Exchanges on which the securities are listed.



6. Pre-clearance of trades

6.1 All Specified Persons, who intends to deal in the securities of the Company when the trading window is open and if the value of the proposed trades is more than Rs. 10 Lakhs (market value) or 1% of total shares outstanding, whichever is less, should pre-clear the transaction. However, no designated person shall be entitled to 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 and hence he shall not be allowed to trade.

The pre-dealing procedure shall be as under:

- (i) An application may be made in the prescribed Form to the Compliance officer indicating the estimated number of securities that the Specified Persons intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the company in this behalf.
- (ii) An undertaking shall be executed in favour of the Company by such (Designated Person) incorporating, inter alia, the following clauses, as may be applicable:
 - (a) That the employee/director/officer does not have any access or has not received "Unpublished Price Sensitive Information" up to the time of signing the undertaking.
 - (b) That in case the Designated Person has access to or receives "Unpublished Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
 - (c) That he/she has not contravened the Code of Conduct for regulating, monitoring and reporting of trading by insiders as notified by the Company from time to time.
 - (d) That he/she has made a full and true disclosure in the matter.
- (iii) All Specified Persons shall execute their order in respect of securities of the Company within seven trading days of the approval of pre-clearance is given. The Specified Person shall file within 2 (two) days of the execution of the trade, the details of such trade with the Compliance



- (viii) The Board of Directors of the Company in consultation with the Compliance Officer shall adopt a process for how and when people are brought 'inside' on sensitive transactions. The Compliance Officer shall inform individuals about their duties and responsibilities attached on the receipt of inside information, and the liability that attaches to misuse or unwarranted use of such information from time to time basis.

7. Mechanism for Prevention of Insider Trading

7.1. The Managing Director of the Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in PIT Regulations to prevent Insider Trading.

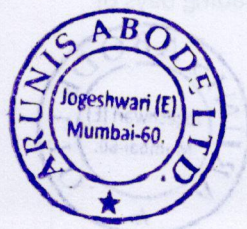
7.2. The Internal control shall have the following mechanism:

- (a) A process to identify all employees who have access to UPSI as designated person;
- (b) Identification of UPSI and its confidentiality shall be maintained;
- (c) Adequate restrictions on communication or procurement of UPSI;
- (d) Maintaining lists of all employees and other persons with whom UPSI shared with signed or notice shall be served to all such employees and persons for maintaining and confidentiality of agreements of shared UPSI;
- (e) All other relevant requirements specified under PIT regulations shall be complied with; and
- (f) Quarterly review to be taken for evaluating effectiveness of such internal controls.

7.3 The Board of Directors of Company shall be responsible for compliance under the Regulation 9 (1) of PIT Regulations.

7.4 The Audit Committee of the Company shall review compliance with the provisions of PIT Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively on quarterly basis.

7.5 The Company shall formulate written policies and procedures for inquiry in case of leak of Unpublished Price Sensitive Information or suspected leak of UPSI, which shall be approved by the Board of Directors of the Company and accordingly initiate appropriate inquiries on becoming aware



- (a) the receipt of intimation of allotment of shares, or
(b) the acquisition or sale of shares or voting rights, as the case may be.

10. Disclosure by the Company to the Stock Exchange(s)

10.1 Within 2 trading days of the receipt of intimation under Clause 9.3, the Compliance Officer shall disclose to all Stock Exchanges where the securities of the Company are listed, the information received.

10.2 The Compliance officer shall maintain records of all the declarations in the appropriate form given by the Directors / Officers / Designated Persons/Employees for a minimum period of five years.

11. Dissemination of Unpublished Price Sensitive Information

11.1 No information shall be passed by Specified Persons by way of making a recommendation for the purchase or sale of securities of the Company.

11.2 Disclosure/dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors:

The following guidelines shall be followed while dealing with analysts and institutional investors:

- Only public information to be provided.
- At least two Company representatives be present at meetings with analysts, media persons and institutional investors.
- Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- Simultaneous release of information after every such meet.

