



PARIN ENTERPRISES LIMITED
(Formerly known as PARIN FURNITURE LIMITED)
(the “Company”)

**POLICY ON CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING
AND FAIR DISCLOSURE
OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

I. PREAMBLE

SEBI(Prohibition of Insider Trading)Regulations are applicable to all Listed Company and it mandates every listed company to formulate a code of conduct to regulate, monitor and report trading by its employees and other —connected persons|| (as defined under the Regulations) towards achieving compliance with these Regulations and enforce a code of internal conduct and procedures based on the model code provided therein.

Further, SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2018 notified on December 31, 2018 requires every listed Company, inter alia, to formulate a policy for determination of ‘_Legitimate purpose’ as a part of this code formulated under regulation 8 of SEBI PIT Regulation.

Hence, the Company being Listed Company at SME Emerge Platform and accordingly this policy is framed and amended considering SEBI(Prohibition of Insider Trading) Regulations, 2015 with Amendments thereto i.e. SEBI (Prohibition of Insider Trading)(Amended)Regulations, 2018 and the Board of Directors has adopted this policy in their meeting held on 25th March, 2019 and shall be effective from 01st April, 2019.

II.OBJECTIVE

The Basic object behind the policy is to preserve the Confidentiality and prevent the misuse of un-published price sensitive information (UPSI). Every director, officer, Designated Person of the Company has a duty to safeguard the confidentiality of all such information which he/ she obtain in the course of performance of official duties. Directors, officers and Designated Person of the Company should not use their position to gain personal benefit.

III. APPLICABILITY

The Code is applicable to the following persons:

- 1) Promoters including member(s) of Promoter group
- 2) Directors



- 3) Designated Persons
- 4) Concerned Advisers/Consultants/Retainers of the Company
- 5) Connected Persons as defined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as defined in Clause IV(7) of Important Definition given below

IV. IMPORTANT DEFINATIONS

Sr	Term	Definition
1	—Act 	Means the Securities and Exchange Board of India Act, 1992 (15 of 1992), as amended.
2	—Board 	Means the Securities and Exchange Board of India.
3	Code”	Meansthe Code of Conduct for prevention of Insider Trading, as notified hereunder, including any amendments/ modifications made from time to time.
4	—Company 	Means PARIN ENTERPRISES LIMITED
5	“Compliance Officer”	Means Company Secretary of the Company or in absence of Company Secretary, any senior officer, designated so or in absence of both, the Executive Director or such other senior officer, who is financially literate and is capable of appreciating requirements of legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring and adherence to the rules for preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in this Code of Conduct and Compliance officer shall function and carry out his responsibilities under the overall supervision of the Board of Directors of the Company.
6	"Concerned Adviser / Consultants /	Meanssuch Advisers or Consultants or Retainers or Professionals who are assisting or advising Company and in the opinion of the Company may have access to unpublished price sensitive information.

7	"Connected Person"	<p>Means</p> <ul style="list-style-type: none"> (i) 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. (ii) 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, <ul style="list-style-type: none"> (a) an immediate relative of connected persons specified in (i) above; or (b) a holding company or associate company or subsidiary company; or (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 a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest
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		<p>NOTE: It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the company and its officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.</p>
8	—Designated	Means such persons as described in Clause V of this code.
9	—Dealing in securities	Means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or as an agent.
10	—Director	Director appointed on the Board of the Company
11	"Generally Available Information"	<p>Means Information that is accessible to the public on a non-discriminatory basis.</p> <p>NOTE: Information published on the website of a stock exchanges, would ordinarily be considered generally available.</p>
12	—Immediate Relative	<p>The following shall be treated as immediate relative of the designated employee.</p> <ul style="list-style-type: none"> i) Spouse ii) Father iii) Mother (including step-mother) iv) Son (including step-son) v) Son's wife vi) Daughter (including step-daughter) vii) Daughter's Husband

13	"Insider"	<p>Means any person who is:</p> <ul style="list-style-type: none"> (i) a connected person; or (ii) In possession of or having access to unpublished price sensitive information; or (iii) Any person who is in receipt of unpublished price sensitive information for legitimate purpose
		<p><i>It is clarified that any person in receipt of unpublished price sensitive information pursuant to a –legitimate purpose shall be considered an –insider// for the purpose of this code.</i></p> <p><i>NOTE: Since –generally available information// is defined, it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered an –insider// regardless of how one came in possession of or had access to such information. Various circumstances are provided for such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who has traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or that he has not traded or or he could not access or that his trading when in possession of such information was squarely covered by the exonerating circumstances.</i></p>
14	"KMP"	<p>Means</p> <p>Key Managerial Person, and includes—</p> <ul style="list-style-type: none"> (i) the Chief Executive Officer or the managing director or whole time director or the Manager; (ii) the Company Secretary; (iii) the Chief Financial Officer; and (iv) Such other officer as may be appointed by the Board of Directors of the Company as Key Managerial Person.

15	—Legitimate purpose	shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partner(s), collaborator(s), lender(s), customer(s), supplier(s), merchant banker(s), legal adviser(s), auditors, insolvency professional(s) or other adviser(s) or consultant(s), provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.
16	—Material Facts	<p>MeansThe materiality of a fact depends upon the circumstances. A fact is considered —material, if it is likely to affect the market price of the securities, upon coming into public domain</p> <p>Material information can be positive or negative and can relate to virtually any aspect of the business of a company or its affiliates or to any type of security, debt or equity. Examples of material information include (but are not limited to) facts concerning:</p> <ul style="list-style-type: none"> i) Dividends; ii) Corporate earnings or earnings forecasts; iii) Business performance developments, such as number of customers; mergers or acquisitions; major litigation; significant borrowings or financing; defaults on borrowings; and bankruptcies, iv) Issues of securities or buyback of securities; v) Any major expansion plans or execution of new projects; vi) Amalgamation, mergers or takeovers; vii) Disposal of whole or substantial part of the undertaking; and viii) Any significant changes in policies, plans or operations of the Company.
17	—Need to Know basis	Meansthat 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 any conflict of interest or appearance of misuse of information.
18	—Non-public Information	Information is —non-public if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors by distribution to stock exchanges, where Company's shares are listed or through such media as press and television, journals or

		similar broad distribution channels or the press media in India and abroad. The circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination.
19	Promoter" and –Promoter Group 	Shall have same meaning assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any amendment thereof.
20	“Securities 	Shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof, except units of mutual funds.
21	“Stock Exchanges 	Shall mean any recognized stock exchange on which Company’s securities are listed.
22	"Trading"	Means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "Trade" shall be construed accordingly. <i>NOTE: Under the parliamentary mandate, since the Section 12A (e) and Section 15G of the Act employs the term 'dealing in securities', it is intended to widely define the term –trading to include dealing. Such a construction is intended to curb the activities based on unpublished price sensitive information which are strictly not buying, selling or subscribing, such as pledging etc when in possession of unpublished price sensitive information.</i>
23	–Trading Day 	Means a day on which the recognized stock exchanges are open for trading.
24	–Trading Window 	Trading window shall refer to specified period during which the trading in securities of the Company is permitted. During the closure of Trading Window, trading in Company’s securities is prohibited for designated persons and is restricted for other employees.



25	"Unpublished Price Sensitive Information"	<p>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: –</p> <ul style="list-style-type: none">(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;(v) changes in key managerial personnel
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