

ARHAM TECHNOLOGIES LIMITED

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(C.G)**

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**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF
UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)**

[Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

BACKGROUND

SEBI has vide notification dated 31st December 2018, amended SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 1st April 2019. As required under the said Regulations, a revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), (hereinafter referred to as the "Code") has been framed for adoption by the Board of Directors of the Company.

The SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**PIT Regulations**"), as amended mandates every listed company to formulate and publish on its official website, a Code of *Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information* ("**Code**").

In line with the requirements of law and to ensure compliance, the Board of Directors of Arham Technologies Limited ("**Arham Technologies Limited**") has adopted this **Code**.

1. OBJECTIVE:

The Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

2. SCOPE:

The Company endeavors to preserve the confidentiality of Unpublished Price Sensitive Information (UPSI) and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations

3. DEFINITIONS:

a. "*Insider*" means any person who is :

- (i) a connected person (as defined in regulation 2(d) of PIT regulations) ; or
- (ii) in possession or having access to unpublished price sensitive information;

All the other terms used in the Policy shall have the same meaning as assigned to them under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Unpublished Price Sensitive Information ("UPSI"):

UPSI 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 include but not restricted to, information relating to the following;

- (i) Periodical financial results of the Company;
- (ii) Intended declaration of dividends (Interim and Final);
- (iii) Change in capital structure i.e. Issue of securities, Buy - Back of securities, Split, Consolidation of Shares or any forfeiture of shares and such other transactions of similar nature or change in market lot of the Company's shares;
- (iv) Mergers, De-mergers, Amalgamation, Acquisitions, De-listing of Securities, Scheme of Arrangement

or Takeover, disposals, spin off or selling division of whole or substantially whole of the undertaking and expansion of business and such other transactions;

(v) Changes in Key Managerial Personnel;

Note: Words and expressions used and not defined in this Code but defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the Rules and Regulations made framed there under shall have the meanings respectively assigned to them in those legislation.

c. “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), banker(s), legal advisor(s), auditor(s), Insolvency professional(s) or other advisor(s) or consultant(s), provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations.

The ‘Unpublished price sensitive information’ can be shared as an exception by an Insider for Legitimate purpose as per its “Policy for determination of Legitimate Purpose” (**Annexure A**), provided it is not shared to evade or circumvent the prohibition under this Regulation.

d. Chief Investor Relation Officer (“CIO”)

shall mean the Compliance Officer of the Company appointed by the Board of Director under Securities and Exchange Board India (Prohibition of Insider Trading) Regulations, 2015.

4. PRINCIPLES OF FAIR DISCLOSURE:

The Company shall adhere to the following principles to ensure timely and fair disclosure of Unpublished Price Sensitive Information:

(i) Prompt public disclosure of Unpublished Price Sensitive Information that would impact price discovery, as soon as it has credible and concrete information, in order to make such information generally available.

(ii) Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.

(iii) Prompt dissemination of Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.

(iv) Ensuring that information shared with analysts and research personnel is not Unpublished Price Sensitive Information. The Company shall be careful while answering to the queries of analysts. Un-anticipated questions shall be taken on notice and a considered response shall be given later.

(v) Developing best practices to make transcripts or records of proceedings of Meetings with analysts and other investor relations conferences on the Company’s website to ensure official confirmation and documentation of disclosures made.

(vi) Handling of all Unpublished Price Sensitive Information on a need-to-know basis. UPSI shall be disclosed to Company officials only after a proper clarification is sought as to the purpose for which the information is needed.

5. CHIEF INVESTOR RELATIONS OFFICER (“CIO”) TO OVERSEE AND COORDINATE DISCLOSURES:

(i) The Compliance Officer of the Company is designated as the Chief Investor Relations Officer and is responsible for dissemination of information and disclosure of UPSI to the Stock Exchanges and other Regulatory Authorities as may be required under any applicable law for time being in force.

(ii) The Compliance Officer is also responsible for ensuring compliance under this Code, overseeing and coordinating disclosure of UPSI to stock exchanges, shareholders, analysts and media and for educating company’s staff on disclosure policies and procedure.

(iii) All UPSI is to be handled on “**need-to-know basis**”, i.e., UPSI should be disclosed only to those within 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. All the non- public information directly received by any employee should immediately be reported to the Compliance Officer.

6. POWERS & DUTIES OF CHIEF INVESTOR RELATIONS OFFICER:

(i) Other than information which is price sensitive in accordance with the Companies Act 2013, the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other applicable law for the time being in force, the CIO in consultation with the Managing Director & Chief Financial Officer (CFO) shall decide whether an information is price sensitive or not.

(ii) The CIO shall ensure that uniform disclosures are made to the Stock Exchanges promptly.

(iii) All information disclosure/dissemination may normally be approved in advance by the CIO. In case information is accidentally disclosed without prior approval of CIO, the person responsible shall immediately inform the CIO.

(iv) The CIO shall ensure that no unpublished price sensitive information is disclosed selectively to any one or group of research analysts or investors to the disadvantage of other stakeholders.

(v) Any queries or requests for verification of market rumor(s) by the Regulatory Authorities shall be forwarded to the CIO, who shall decide on the clarification to be provided.

(vi) The CIO shall decide whether a public announcement is necessary for verifying or denying any rumor(s).

7. PROMPT DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

(i) The Company will ensure that any event which has a bearing on the share price of the Company shall be disseminated promptly upon the conclusion of the event, by communicating the same to the Stock Exchanges in accordance with the PIT Regulations and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as may be amended from time to time.

(ii) To ensure that the information is disseminated in a uniform manner, company will transmit the information to all the Stock Exchanges where the securities of the Company are listed, at the same time and shall also publish the same on the website of the Company viz. Arham Technologies Limited

8. DISCLOSURE WITH REFERENCE TO ANALYSTS/ MEDIA:

- (i) All UPSI shall be first communicated to the Stock Exchanges before the same is shared with Analyst and Research personnel.
- (ii) Transcript of the Meetings / Con calls with Analysts shall be furnished to the Stock Exchanges and then posted on company's website.

9. RESPONDING TO MARKET RUMORS:

The Managing Director / Chief Financial Officer / Compliance Officer and/or the Investor Relations Team and /or any other official(s) (“**Spokesperson**”) authorized by the Board of Directors of the Company shall give an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities. They shall also be responsible for deciding whether a public announcement is necessary for verifying or denying rumors and making disclosures.

10. SHARING OF UPSI FOR LEGITIMATE PURPOSE:

The UPSI shall be shared by any person(s) authorized by the Board of Directors or CIO of the Company, only in furtherance of legitimate purpose(s) which shall include the following;

- (i) In the ordinary course of business by any Insider, Designated Person, or by any Authorized person with existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, valuers, insolvency professionals, other advisors or consultants or business support agents, service providers, in order to avail professional services from them in relation to the subject matter of UPSI.
- (ii) Sharing the relevant UPSI with consultant, advisors engaged by the Company in relation to the subject matter of the proposed deal/assignment/tie-up/fund raising resulting to UPSI;
- (iii) Where such communication is in furtherance of performance of duty (ies);
- (iv) For discharge of legal obligation(s).
- (v) For any other genuine or reasonable purpose as may be determined by the CIO of the Company.
- (vi) Sharing the relevant UPSI with potential customers, joint ventures partners and vendors essential to fulfill the terms and conditions of business contract.
- (vii) Sharing the relevant UPSI for advice, consultation, transaction support, intermediation and approvals in the process of evaluation of new business opportunities.
- (viii) Sharing the relevant UPSI for statutory consolidation requirements or related customary disclosure obligations;
- (ix) Sharing the relevant UPSI with persons engaged or involved in the processes leading to disclosure of events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (x) For any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

Provided that such sharing should not be carried out to evade or circumvent the prohibitions of PIT Regulations.

However, other provisions / restrictions as prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other law for the time being in force in this behalf, as may be amended from time to time, shall be observed.

11. RESTRICTIONS FOR SHARING UPSI:

Till the UPSI becomes generally available information, it can be shared with the Insiders only on a need-to-know basis and for legitimate purpose as provided under this policy.

The Compliance Officer or any of the Director(s) shall issue a notice to the Insider to maintain confidentiality of UPSI shared for legitimate purpose.

The Board of Directors shall require the Insider(s) to maintain confidentiality and / or non-disclosure agreement to keep UPSI so received confidential and shall not otherwise trade in securities of the company when in possession of UPSI.

The Insider will obtain Company's written consent, in case UPSI received by the Insider under this Policy is proposed to be used by the Insider for purpose other than the initial legitimate purpose for which the Company has provided UPSI.

12. ISSUE OF NOTICE TO THE RECIPIENT OF UPSI:

Any person in receipt of Unpublished Price Sensitive Information pursuant for a "Legitimate Purpose" shall be considered an "Insider" for purposes of this Code and due notice shall be given to such persons, under this code;

- (i) To make aware to such person that the information shared is or would be UPSI.
- (ii) To make aware to such person the duties and responsibilities attached to the receipt of such UPSI and the liability attached to misuse or unwarranted.
- (iii) To instruct such person to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the PIT Regulations and to refrain from trading / dealing in securities of the Company, whether directly or indirectly, when in possession of UPSI.

13. DIGITAL DATABASE OF RECIPIENT OF UPSI:

The CIO shall be responsible to maintain a structured digital database of such persons or entities as the case may be with whom information is shared under the PIT Regulation, which shall contain the following information;

- (i) Name of such recipient of UPSI;
- (ii) Name of the Organization or entity to whom the recipient represent;
- (iii) E-mail ID of such recipient;
- (iv) Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

The CIO shall also be responsible to ensure that such databases shall be maintained with adequate internal

controls (as prescribed under the PIT Regulations or such other regulation(s), as may be applicable for time being in force) and checks such as time stamping and audit trails to ensure non- tampering of such database.

14. AMENDMENT:

The Board of Directors of the Company may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy, in case there is any change in applicable laws, rules & regulations.

In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

Any change in the Policy shall be approved by the Board of Directors of the Company. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed there under or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

Notes:

**Words and expression used herein and not defined shall have meaning ascribed to them under the SEBI (PIT) Regulations.*

**In the event the terms of this Code differ from any applicable law for the time being in force, the provisions of such applicable law shall take precedence over this Code.*

Annexure A

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSE FORSHARING OF UPSI

*[Framed under Regulation 3(2A) of SEBI (Prohibition of Insider Trading)
(Amendment) Regulations, 2018]*

I. INTRODUCTION:

1. This Policy has been framed in compliance with the provisions of Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (“SEBI (PIT) Regulations”).
2. This Policy will be applicable to all “Insider (s)”.
3. This Policy shall come into force with effect from 15th December, 2022.
4. Words and expressions used and not defined in this Policy or in the Company’s Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) shall have the same meanings assigned to them respectively in the SEBI (PIT) Regulations or the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the rules and regulations made thereunder, as the case may be, including amendment(s)/modification(s) thereto.

II. DEFINITION:

1. **Insider (s)** - Any person in receipt of UPSI pursuant to a “Legitimate Purpose”, shall be considered an “insider” for the purpose of these regulations.
2. **Legitimate Purpose** means sharing of UPSI by the Company for any purpose satisfying the following factors:
 - 2.1 Must be shared in the ordinary course of business;

- 2.2 Required to be done in furtherance of fiduciary duties or in fulfillment of any statutory obligation;
 - 2.3 Information shared is in the interest of other Stakeholders; and
 - 2.4 Information is not being shared for personal benefit but may result in personal gain consequently.
3. **Ordinary course of business** includes regular and usual day to day transactions, general customs and practices of a business performed in the Company.

III. SHARING OF UPSI:

1. The Company may, in its ordinary course of business, share UPSI for legitimate purposes, with:
 - Partners,
 - Collaborators,
 - Lenders,
 - Customers,
 - Suppliers,
 - Merchant Bankers,
 - Legal Advisors,
 - Auditors,
 - Insolvency professionals or
 - Other advisors or consultants.

Provided that such sharing is not been carried out to evade or circumvent the prohibitions of this code and SEBI (PIT) Regulations.

IV. COMMUNICATION PURSUANT TO SHARING OF UPSI:

1. Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered as an Insider and due notice shall be given to such Insider to maintain confidentiality of such UPSI in compliance with SEBI (PIT) Regulations.
2. The recipient of UPSI shall be required to execute agreements with the Company to contract confidentiality and non -disclosure obligations on the part of receivers of such UPSI and such outside parties shall keep information so received confidential, and shall not trade in securities of the Company when in possession of UPSI.
3. The Company shall record requisite information, before communicating UPSI, of the persons receiving the information as per the internal policy of the Company, including but not limited to:
 - 3.1 Full name of the recipient of UPSI;
 - 3.2 Name of the entity whom the recipient represents;
 - 3.3 Complete residential address of recipient and registered office address of the recipient entity.
 - 3.4 Permanent Account Number (PAN) or other identifier authorized by Law in case PAN is not available of the recipient and his entity.
 - 3.5 Contact Number and E-Mail Id of the recipient and his entity.

V. AMENDMENT:

- 5.1 This Policy may be amended by the Board from time to time. The Company Secretary being the Compliance Officer is also authorized to make amendment in this policy, where there are any mandatory change required by the Law.