



CONTINUING STABILITY

ARIHANT
SUPERSTRUCTURES LTD.
CONTINUING STABILITY

14th September, 2018

Corporate Relations Department
BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051

Scrip Code: 506194
Class of Security: Equity

Symbol: ARIHANTSUP
Series: EQ

Sub: Outcome of Insider Trading Compliances Committee Meeting No. 02/2018-19:

Sir / Madam,

In reference to the above captioned subject and our disclosure to Stock Exchanges (NSE and BSE) dated 10th August, 2018; we would like to brief the matter as follows:

(a) The Board was informed in its Board Meeting held on 10th August, 2018, by the Company Secretary & Compliance Officer that certain non-compliances and violations of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Insider Trading Regulations") and Company's Code of Conduct ("ASL Code of Conduct") by Mr. Dinesh Babel, Independent Director of the Company. Accordingly the Board had constituted the Insider Trading Compliances Committee consisting of the following Members:

- a) Mr. Virendra Mital - Chairman of the Committee (Independent Director)
- b) Mr. Vinayak Nalavde - Member (Independent Director)
- c) Mr. Nimish Shah - Member (Whole Time Executive Director)

for investigating the said matter and to submit their report to the SEBI and Board of Directors of Arihant Superstructures Limited ("the Company or ASL).

(b) In accordance with the terms of reference of the Committee, and the details available with the Company, the Insider Trading Compliance Committee in its Meeting held on 11th August 2018, issued a Notice to Mr. Dinesh Babel, seeking his explanations for the alleged violations of the Rules and Code of Conduct.

(c) Mr. Dinesh Babel had submitted his reply along with transaction as entered by him and details of transaction as entered by Dinesh Chandra Babel HUF (Karta-



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Arihant Aura, B-Wing, 25th Floor, Plot No 13/1,
TTC Industrial Area, Thane Belapur Road,
Turbhe, Navi Mumbai, Maharashtra - 400705

Tel.: 022 6249 3333
022 6249 3344

Website : www.asl.net.in
Email : info@asl.net.in

Mr. Dinesh Babel) (jointly referred to as Mr. Dinesh Babel) to the Chairman of Committee on 28th August, 2018.

- (d) Mr. Virendra Mital, Chairman of the Insider Compliances Committee called a Meeting on 14th September, 2018 at 06:00 P.M. at the registered office of the Company at Arihant Aura" 25th Floor, B Wing, Plot No. 13/1, TTC Industrial Area, Thane Belapur Road, Turbhe, Navi Mumbai - 400705 for investigating the said matter and further to submit their report to the SEBI and Board of Directors of ASL.

Report of the Committee as follows:

The Committee reviewed the facts of the case in detail along with the submissions, reports and statements presented before it. The report of the Committee is as follows:

- (a) Based on the details available with the Company and submitted by the Company's Registrar and Share Transfer Agent (RTA) and the reply to the Notice received from Mr. Dinesh Babel, the Committee is of the opinion that Mr. Dinesh Babel has entered into certain transactions which amount to the non-compliances and violations of the SEBI Insider Trading Regulations and ASL Code of Conduct.
- (b) Mr. Dinesh Babel, had submitted that he had failed to obtain the necessary pre-clearances of the Compliance Officer and necessary post intimations as required under the Rules and Regulations. Further, he submitted that the failure was primarily due to oversight. He further confirmed that he had no intention of undertaking any violation or non-compliance in respect of the Regulations. He had also submitted that he did not undertake any cross transaction, with any mala fide intention and the transactions undertaken by him, were executed by his Stock Broker, based on his earlier instructions and without being in possession of Unpublished Price Sensitive Information (UPSI).
- (c) Mr. Dinesh Babel, further informed the Committee that he had incurred a net loss of Rs. 2,25,410.84/- (Rupees Two Lakhs Twenty Five Thousand Four Hundred and Ten and Eighty Four Paise Only) from all the transactions entered into by him. He also confirmed that he did not intend to deal with the shares of the Company with the intention of obtaining any profit from the Company's securities.
- (d) Further, as per Regulation 29(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and ASL Code of Conduct it was duty of Mr. Dinesh Babel to inform the Compliance Officer/ Managing Director/Board of Directors about the transactions entered by him immediately. However his failure to inform the Company led to none of the Board Members/Managing Director/Compliance Officer of the Company being in knowledge of the transactions undertaken by Mr. Dinesh Babel. Accordingly, Mr. Dinesh Babel shall be solely responsible for the effects/consequences of all the transactions entered by him.



Penalty Imposed on Mr. Dinesh Babel:

On basis of the facts and disclosures made in this regard, Committee hereby recommends to impose a penalty on Mr. Dinesh Babel to SEBI and Board of Directors of ASL in the matter of non-compliance and violation of SEBI Insider Trading Regulations and ASL Code of Conduct in the following manner:

Particulars of Offence	Penalty imposed (₹)
Not obtaining pre-clearance from the Compliance Officer before entering into the transactions and Non Submission of the necessary intimations and disclosures after entering into the transactions to the Company and Stock Exchanges	25,000/-
Engaging in Contra Transactions	25,000/-
Undertaking dealing in securities during period of closure of Trading Window	100,000/-
Total Penalty	150,000/-

Further, Mr. Dinesh Babel will be required to submit an undertaking stating that he shall not undertake any such transactions in future which shall result in contravention or violation of the SEBI Insider Trading Regulations and ASL Code of Conduct.

Further the Committee shall submit its detailed report to the Board of Directors of ASL and SEBI for their necessary actions.


The Committee herewith undertakes its commitment to its Stakeholders and reconfirms its zero tolerance policy for any non-compliance.

Kindly take the same in your records.

Thanking you,

Yours faithfully,

**For & on behalf of
Insider Trading Compliances Committee
Arihant Superstructures Limited**


Naval Singh Shekhawat
Company Secretary

