

## **Code of Practices and Procedures for Fair Disclosure in respect of the Property Share Investment Trust (including all schemes under the Property Share Investment Trust)**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (“**PIT Regulations**”), mandates every listed company to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities. In line with the PIT Regulations, the Property Share Investment Trust and any scheme under the Trust (“**Trust**”), acting through its manager, PropShare Investment Manager Private Limited (the “**Investment Manager**”/ “**Company**”), has formulated this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“**UPSI**”, and such code, the “**Code for Fair Disclosure**”). This Code for Fair Disclosure aims to outline the process and procedures for dissemination of information and disclosures in relation to the Trust.

Capitalised terms used but not defined in this Code for Fair Disclosure shall have the meaning as ascribed to them in the Code on unpublished price sensitive information (“**UPSI**”) and dealing in securities of the Property Share Investment Trust (“**Insider Code**”).

### **1. Chief Investor Relations Officer**

- 1.1. ‘Head - Investor Relations’ has been appointed as Chief Investor Relations Officer (“**CIRO**”), for the purposes of this Code for Fair Disclosure.
- 1.2. The CIRO would be responsible for:
  - (a) ensuring uniform and universal dissemination of information and disclosure of UPSI at an appropriate time, so as to avoid selective disclosure;
  - (b) ensuring compliance with the Code for Fair Disclosure and intimating instances of violations of the Code for Fair Disclosure to the Compliance Officer;
  - (c) overseeing and monitoring sharing of UPSI by employees of the Trust / Investment Manager and educating employees on disclosure policies and procedures;
  - (d) reviewing the disclosure process and controls and making changes, as and when required; and
  - (e) in discussion with the Investment Managers’ Board/ senior management, making an assessment of (i) materiality of information; (ii) updates, if any, required to be provided in respect of past disclosures; and (iii) the timing and adequacy of the proposed disclosures.
- 1.3. The CIRO shall ensure strict adherence to the timelines stipulated in terms of the SEBI regulatory framework with respect to prior intimations / notices / notifications and disclosures for prompt disclosure of UPSI.
- 1.4. In the absence of the CIRO, Compliance Officer of the Investment Manager shall be responsible for discharging the role and responsibilities of the CIRO.

### **2. Need to know basis**

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- 2.1. All UPSI shall be made available to relevant persons / entities strictly on a need-to-know basis, and in line with any other applicable codes, policies and procedures of the Trust / Investment Manager, including, specifically, this Code for Fair Disclosure and the Insider Code.
- 2.2. No UPSI shall be communicated by Employees, Directors and Insiders of the Property Share Investment Trust Entities to any person except in furtherance of his / her Legitimate Purposes, performance of duties or disclosure of his / her legal obligations.
- 2.3. No person shall procure from or cause the communication by any Insider of UPSI, relating to the Trust or its Securities, except in furtherance of Legitimate Purposes, performances of his / her duties or discharge of his / her legal obligations.
- 2.4. The Manager through the CIRO will, on an on-going basis, sensitise and educate its employees, Designated Persons (“DPs”), management on dealing with information, including UPSI, strictly on a need-to-know basis.
- 2.5. For sharing of UPSI within the Company or with external parties for genuine business purpose, appropriate wall-crossing procedure as stipulated in Insider Code shall be followed. Further, all compliances in terms of the PIT Regulations will be duly observed.
3. **Disclosure on a prompt basis**
  - 3.1. The CIRO will be responsible to make prompt public disclosure of UPSI that would impact price discovery by reporting it to the stock exchanges on which Securities of the Trust are listed as well as by hosting the same on the official website of the Trust, no sooner than credible and concrete information comes into being, in order to make such information generally available.
  - 3.2. Timelines stipulated in terms of the circulars and directions issued by SEBI with respect to prior intimations/ notices / notifications and disclosures shall be strictly observed by the CIRO to ensure prompt disclosure of UPSI.
4. **Uniform and universal dissemination of UPSI**
  - 4.1. The CIRO will ensure uniform and universal dissemination of UPSI, so as to avoid its selective disclosure to any particular stakeholder.
  - 4.2. In the event UPSI were to get disclosed selectively, inadvertently or otherwise, the same should be immediately brought to the notice of the CIRO. The CIRO shall then ensure that such UPSI is promptly disseminated to make such information generally available through publication on the website of stock exchanges.
5. **Responding to news reports and queries from regulators**

CIRO is authorised to provide an appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities.
6. **Information sharing with analysts**
  - 6.1. As and when meetings or calls with research analysts / research personnel are organised, the CIRO is to be informed of the same, so as to ensure that no UPSI is shared with analysts and research personnel, as part of such interactions.
  - 6.2. The CIRO shall ensure that:

- (i) appropriate policies and procedures are implemented to make transcripts or records of proceedings of meetings/ calls with analysts and other investor relations conferences; and
- (ii) such transcripts/ records are uploaded on the official website of the Trust, and are also intimated to the stock exchanges where the Securities of the Trust are listed, to ensure official confirmation and documentation of disclosures made, as required under the applicable law.

## 7. **Determination of ‘Legitimate Purpose’**

- 7.1. The PIT Regulations recognise that UPSI may be required to be shared or communicated for certain genuine purposes, i.e., legitimate purposes, performance of duties or discharge of legal obligations.
- 7.2. The PIT Regulations clarify that ‘Legitimate Purpose’ includes sharing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations.
- 7.3. Given the inclusive nature of the scope of the term ‘Legitimate Purpose’ under the PIT Regulations, its determination would be a subjective assessment, and would have to be evaluated on a case by case basis. Accordingly, an exhaustive list of the events and circumstances that would always be considered ‘legitimate’ for sharing UPSI cannot be prescribed.
- 7.4. As the manager of the Property Share Investment Trust, the board of directors of the Company (“**Board**”) have fiduciary duties to the Trust. In view of these fiduciary obligations cast on the Board, the Board has made this Policy to lay down the broad principles regarding the approach to be followed while determining if UPSI ought to be shared in a given set of circumstances, so as to ensure that UPSI is dealt with responsibly, in line with the spirit of the PIT Regulations.
- 7.5. These broad principles shall include:
  - 7.5.1 *Evaluation of the purpose for which UPSI is proposed to be shared:*
    - (i) At the outset, the circumstances requiring the sharing of UPSI should be considered to evaluate if such sharing is:
      - (a) in the best interests of the Trust;
      - (b) without any intention to make profits/ gains or avoid losses unlawfully by misusing the information in an illegal manner; and
      - (c) in furtherance of a genuine business/ corporate purpose, or for enabling the Company to discharge its legal obligations as the manager of the Trust, including compliance with law, regulatory directions, judicial orders etc.
    - (ii) While undertaking this evaluation, the following should also be taken into account:
      - (a) the matters affecting the Trust at the relevant time, and
      - (b) the information that is generally available about the Trust at the relevant time.

- (iii) In the event there are several purposes for which UPSI is proposed to be shared, each such purpose should be evaluated on its merits, in line with the above principles.

*7.5.2 Analysis the nature of the UPSI proposed to be shared in the context of a legitimate purpose:*

- (i) It is emphasized that UPSI should, at all times, be shared on a need - to - know basis, and only to the extent required.
- (ii) In this regard, the nature and extent of UPSI proposed to be shared should be critically analysed, and if the same is commensurate with the objective sought to be achieved.

*7.5.3 In line with the above principles, following are the illustrative and indicative matters wherein sharing of UPSI may be deemed to be for 'legitimate purpose':*

- (i) where information is required for any investigation, enquiry, direction or request for information by any statutory, governmental and/ or regulatory authority/ body that is entitled to call for such information;
- (ii) where information is required to be shared under any proceedings or pursuant to any order of courts or tribunals;
- (iii) where information is required to ensure compliance with any applicable law;
- (iv) assessing strategic alliances and opportunities, including through merger, amalgamation or restructuring of the Trust, subject to compliance with appropriate procedures as set out under the Insider Code and in line with the PIT Regulations; and
- (v) where information is required to be shared for bonafide business/commercial purposes pertaining to the Trust, such as, when information is required to be shared with the Investment Manager to leverage on their experience and expertise in the real estate sector, in order to create value for the unitholders of the various schemes of the Property Share Investment Trust subject to following the appropriate procedures as set out under the Insider Code and in line with the PIT Regulations.

*7.5.4 Identifying the persons with whom UPSI is proposed to be shared*

- (i) In line with regulatory obligations, the Manager should obtain the necessary details in relation to the persons (legal or natural) with whom UPSI is proposed to be shared, including, name, address, email, Permanent Account Number (“PAN”), or any other identifier authorised by law, where PAN is not available; and such other documents as may be deemed fit. While dealing with legal entities, appropriate details of the individual representatives of such legal entities are to be obtained and maintained.
- (ii) Prior to sharing UPSI, the proposed recipient of UPSI should be apprised of the fact that the information proposed to be shared for the specified Legitimate Purpose is UPSI and that as an Insider, the proposed recipient must maintain confidentiality of the UPSI, and comply with its obligations under this Code and the PIT Regulations. In this regard, the Investment Manager may consider apprising the proposed recipient of the UPSI of the following matters in writing through a contractual agreement, such as, confidentiality agreement or non - disclosure agreement or otherwise:
  - (a) Ownership of information shared - the information being shared is UPSI and that the Investment Manager is the exclusive owner of such UPSI;
  - (b) Status of the recipient of UPSI - upon receipt of UPSI, the recipient would be deemed to be an Insider and subject to the provisions of, and obligations under

the Insider Code and the PIT Regulations and will be held liable under the PIT Regulations in case of breach;

- (c) Confidentiality - the recipient must maintain confidentiality of the UPSI at all times;
  - (d) Restrictions on use of UPSI - the recipient may use the UPSI only for the approved purposes for which it was disclosed;
  - (e) Recipient should ensure compliance with PIT Regulations at all times;
  - (f) Co-operation - the recipient must extend all cooperation to the Investment Manager in this regard including for ensuring compliance with the requirements under the PIT Regulations;
  - (g) The Board may impose such other conditions and/ or restrictions on the recipient, as it may deem appropriate.
- (iii) It is noted that, UPSI may be shared by the Investment Manager, from time to time, in the ordinary course of its business activities with persons/entities including, the advisers and service providers, viz., auditors, merchant bankers and legal advisers/ consultants of the the Trust, etc. subject to compliance this Code for Fair Disclosure and in line with the PIT Regulations.

## 8. **Review of Policy**

- 8.1. This Code for Fair Disclosure shall be reviewed periodically by the Board in accordance with the changes, or any regulatory requirements, from time to time.
- 8.2. Further, this Code and every subsequent amendment made to the same shall be published on official website of the Trust and intimated to the stock exchanges where the Securities of the Trust are listed.